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NEWS SUMMARY

GENERAL

Dublin arrests 3 SAS men

Eight members of the British Army's Special Air Service were expected to be charged with firearms offences in a Dublin special criminal court last night after being apprehended on the Irish Republic's side of the border.

In the House of Commons, Army Minister Mr. Bob Brown said the men were on a routine patrol when they had strayed over the border because of a map reading error.

The Army in Northern Ireland last night claimed that one car load of soldiers had got lost and two more cars were sent to look for them but that they all strayed into the Republic. Page 8

Irishmen face 32 new charges

Four Irishmen in custody since the Balcombe Street siege in December faced 32 new charges, including murder, bombing and conspiracy, in South Western Magistrates' Court. Among their alleged victims were Mr. Ross McWhirter and Professor Gordon Hamilton Fairley. Other trials of suspected terrorists are taking place at Birmingham Manchester and Winchester.

Officers killed

Three officers of the Green Howards regiment were killed in a car crash near their Chester camp hours after returning from duty in South Armagh.

U.K. sends two more frigates

Royal Navy frigates in Icelandic fishing grounds are being increased from four to six, Agriculture Minister Mr. Fred Peart announced. Trawlermen welcomed the move. Page 8, Editorial comment Page 16

Remains of RAF crew discovered

At a military ceremony in Berlin, Soviet troops handed over the remains of four crewmen recently found with the wreckage of a wartime RAF Lancaster bomber. British officers hope to identify the crew by numbers on two of the bomber's engines which have also been supplied by the Russians.

Mrs. Buckley ill

Mrs. Sheila Buckley was absent on the eighth day of her trial with Mr. John Stonehouse at the Old Bailey. Her counsel, Lord Vigoder QC, said she felt unwell and had been seen by a doctor.

Durban poll upset

The anti-apartheid Progressive Reformist Party caused an upset by beating the United Party in the Durban by-election. Page 7

Briefly . . .

Hundreds of taxis blocked all roads into The Hague during yesterday morning's rush hour in protest against lack of protection against troublesome clients.

British Midland Airways suspended eight employees while it investigates allegations of a smuggling network involving staff.

Four people, two of them Mexican tourists, died when fire swept their hotel in Cortina D'Ampezzo, Italy.

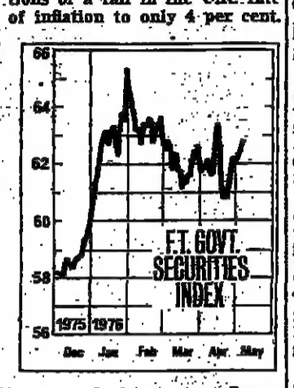
Sir Hugh Casson, president of the Royal Academy, defended the system which has resulted in exhibits described as "rubbish" being hung in the Academy's summer exhibition which opens to-morrow.

Mr. Reginald Maudling won his High Court fight to stop disclosure of evidence he gave in secret during the Poulson bankruptcy hearings. Page 11

BUSINESS

Gilts gain 0.35 but equities slip 2.8

● GILTS improved on predictions of a fall in the U.K. rate of inflation to only 4 per cent.



by the end of next year. Longs were active, with gains ranging to 1½. Government Securities index rose 0.35 to 62.32.

● EQUITIES failed to hold initial small improvements. Up 1.3 at 10 a.m., the FT 30-share index ended the day 2.8 down at 417.8. Gold Mines index fell 9.6 to 178.6.

● STERLING eased 15 points to $1.8235 and its weighted depreciation widened to 37.8 (37.4) per cent. Dollar's weighted average widened to 1.93 (1.72) per cent.

● GOLD lost $1 at $127½.

● WALL STREET was up 2.05 at 988.51 towards the close.

● FRANCE may have a surplus of 2m. tonnes of sugar available for export in the 1976-77 season. Page 29

Tin prices reach new peaks

● TIN PRICES soared to record levels on the London Metal Exchange with three-month standard tin closing at £4,172.5 a tonne, up £111 on the day. Page 29

● U.K. CAR sales in April were 24 per cent. up on 12 months earlier. Back Page

● FRIENDS' PROVIDENT Board is strenuously resisting a move by a group of employees to nominate four directors to the policyholder-owned life office. Men and Matters, Page 16

● ANGOLA confiscated seven major industrial concerns and placed them under State control. Page 7

● ARGENTINA'S cost of living rose by 713.4 per cent. in the last 12 months, a world record. Page 6

● LLOYDS BANK International is making a £30m. loan, backed by the Export Credits Guarantee Department, to help finance capital goods contracts placed in the U.K. by Brazilian buyers.

● COMPANY FAILURES in the first three months of 1976, at 1,535, reached their highest recorded level for at least 16 years. Page 8

COMPANIES

● DUNLOP turnover exceeded £1bn. for the first time in 1975, when pre-tax profits rose to £52m. (£44m.). Page 18 and Lex

● NATIONAL AND COMMERCIAL Banking Group pre-tax profit for the six months to March 31 jumped to £28.28m. (£19.04m.). Page 19 and Lex

● AKZO, the Dutch chemicals group, made a net profit of Fls.22m. (£4.5m.) in the first quarter compared with a loss of Fls.55.2m. in the same period last year. Page 20 and Lex

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Treas. 12¾pc '93 "A"	£96½	+ ½
Treasury 13¼pc '97	£101½	+ 1¼
Ash and Lacy	107	+ 3
Beaver	66	+ 5
Clarke (Clement)	70	+ 5
Corn Exchange	120	+ 18
Fox's Biscuits	145	+ 8
Gerrard and National	268	+ 8
Greenbank Ind. Trust	54	+ 4
Gross Cash Registers	40	+ 6
Marshalls Universal	132	+ 8
Metalrax	26	+ 3
Mothercare	202	+ 4
Nash (J. F.)	60	+ 4
Ocean Wilsons	142	+ 17
Pilkington	345	+ 5
Sainsbury (J.)	139	+ 9
Silhouette	35	+ 4
United Biscuits	134	+ 7
Ward and Goldstone	89	+ 4
Warren (J.)	40	+ 5
BP	672	+ 7
Weeks Nat. Resources	60	+ 10
British Indian Tea	150	+ 50

FALLS

Bank of Ireland	315	− 10
ICI	399	− 5
Imperial Group	77½	− 2½
Kleeman	165	− 20
Land Securities	157	− 4
NEPC	67	− 4
Turner and Newall	160	− 7
Weyburn Engineering	240	− 10
Durban Deep	510	− 55
Elsburg	135	− 11
Grootvlei	100	− 10
Kinross	340	− 25
Randfontein Ests.	£15½	− 2
Unisel	120	− 14
Venterspost	205	− 20
Wit. Nigel	44	− 4

Shell/Esso to spend £3.5bn. in North Sea oil exploration

BY RAY DAFTER, ENERGY CORRESPONDENT

The Shell-Esso joint venture in the North Sea is to spend £3.5bn. on oil exploration and field development over the next six years. The new offshore programme, announced yesterday, includes the likely development of two new finds: the Tern Field and the extension of their Cormorant Field.

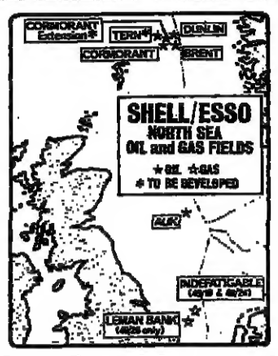
At the same time, Texaco announced that it was planning to develop its find on block 15/16, some 115 miles north-east of Aberdeen. The reservoir, discovered in 1974, has now been named the Tartan Field.

The group said that the discovery, tested with five successful wells, warranted detailed studies into development prospects. It is possible, for instance, that *Texaco will feed its oil from* Tartan—and conceivably from reserves on the adjoining block 14/20—through the Occidental group's Piper pipeline.

Texaco is now looking into possible multi-well platform designs. If the studies prove successful, the group may decide to place an order late this year in order to achieve initial production by 1980.

Shell-Esso's expansion plans should also result in new platform orders being placed in U.K. yards, although there is little likelihood of these being awarded this year. This will be a disappointment to British platform fabricators, most of whom are now seeking new work to offset dwindling order books.

Mr. Bill Bell, chief executive of Shell Exploration and Production, the operator for Shell-Esso in the North Sea, said that more evaluation was needed on Cormorant and Tern before the group could decide on the type of platforms required: concrete, steel or floating structures.



In an effort to help newer and smaller companies involved in North Sea oil exploration and development attract capital, the Stock Exchange has relaxed its quotation rules requiring approval of each share deal. Back Page

Tentative plans suggest that the order for the Cormorant extension platform will be placed first, probably in the first half of next year, followed by another for Tern early in 1978. Shell-Esso is planning on an ordering pattern of one platform a year "for the next few years."

The group, which is developing four fields including Brent, is investing in the North Sea at the rate of £1.5m. a day. About 60 per cent. of this is spent on British equipment and services. It is estimated that Shell/Esso's share of U.K. oil reserves currently under development is about 30 per cent. The Brent *Field alone contains 2bn.* barrels of recoverable oil and some 3 trillion cubic feet of associated gas, making it the biggest find in the U.K. sector.

Mr. Bell said that the two companies would be jointly bidding for further exploration concessions when the Government offers the fifth round of licences later this year. Although there was more oil to be found, the days of the giant discoveries in the North Sea were over.

Shell/Esso's stated intentions suggest that the two major oil companies are not expecting to be confronted with a Government rebuff or tougher conditions in the next licensing round. It has been suggested within the Department of Energy that companies that have not agreed in principle to state participation—they include Shell and Esso—may not be treated as favourably as those

Continued on back page

North Sea Oil Review, Page 26

Italy clamps down drastic import control to aid lira

BY ANTHONY ROBINSON

ROME, May 6.

FACED with a steep decline in the lira at a time of acute political and economic uncertainty, the Italian authorities have been obliged in effect to declare *force majeure* and take refuge in a drastic new form of import controls, which came into force to-day.

The decision, taken late last night, followed days of mounting anxiety as the lira fell through the psychological barrier of 900-to-the-dollar in the wake of a deteriorating foreign trade and balance-of-payments situation and rising inflation.

Italy's General Election is on June 20.

The spectre of a South American-type inflation-devaluation spiral in Italy contributed to persuading the Common Market to authorise a new import deposit scheme under the terms of Clause 3 of Section 108 of the Treaty of Rome, popularly known as the safeguard clause.

The Italian measures cover all imports except wheat, and virtually all foreign currency transactions, with a few specific exceptions. Importers must deposit 50 per cent. of the cost of their imports in a non-interest-bearing account at the Bank of Italy for three months. The same applies to most foreign currency, financial and tourist transactions.

The principal exceptions are transactions of agent banks and companies with specially authorised accounts, like airlines and insurance companies. Italian tourists, already limited to an annual L.500,000 (£310) allowance, must deposit the lira equivalent of 50 per cent. of *their requested foreign currency* requirement in the new account.

These latest of many emergency measures are expected to help the lira by raising cost of imports and further substantially squeezing domestic liquidity. But this, on top of earlier measures raising interest rates and draining liquidity, is expected to boost further domestic inflation and depress prospects for investment, growth and employment.

Initial reaction in Italy is that drastic measures of this kind were virtually the only way to reduce the currency depreciation rate, itself a major inflationary factor and cause of recent deterioration of the trade account. Both cost and quantity of imports have risen strongly in five months as importers have built up stocks, both in anticipation of increased economic activity and to forestall further lira depreciation. This means Italy has a certain cushion of imported stocks for the coming months.

It is widely thought the sum of measures is still insufficient for the fundamental structural problems of the economy. Sig. Ugofta Malfa, Republican Party secretary, citing the success of the U.K. in agreeing what appears from here an effective form of incomes policy, stressed that the two fundamental problems still to be tackled are reduction in public sector deficit, L14,500bn. on conservative estimates in 1985, and wage restraint.

The fight to save the lira, Page 4

'No names' at IMF gold auction

BY DAVID BELL

WASHINGTON, May 6.

THE International Monetary Fund will not release the names of bidders nor the amounts of individual bids at its first gold auction to take place in Washington on June 2.

Announcing this here to-day Dr. Johannes Witteveen, the IMF managing director, said that, as reported earlier this week, some 780,000 troy ounces of gold will be offered for sale in the first of eight auctions to be held each year for the next two years.

Altogether, some 25m. ounces of gold are to be auctioned over the next four years to raise money for a new Trust Fund for developing nations.

Dr. Witteveen said that the names of bidders and amounts bid would be kept secret because their publication "could cause embarrassment and some inconvenience" to bidders. Such embarrassment might reduce the success of the auction.

The managing-director said that the Bank for International Settlements was likely to be a bidder, despite some earlier suggestions that it would not bid on its own account.

He said that although the IMF is going to make sure that it does not itself sell gold to central banks "what happens after we sell it is the responsibility of the central banks." Dr. Witteveen said the Fund would be concerned if central banks were to end up buying the gold, "but I don't see how we would prevent it."

The French Government has long insisted on the right to acquire some of the IMF gold — possibly from the BIS — at market-related prices and IMF sources said France may eventually buy token amounts.

Dr. Witteveen confirmed that the executive Board of the IMF would decide on the morning of the auction what price to set, if necessary by a secret vote. "We are determined not to set any kind of minimum price. We will follow the market price," he said.

He hoped that the auction would lead to a "gradual reduction of the role of gold in the international monetary system."

As expected, the Fund's directors will have the right to cancel an auction if the price bid is not considered high enough and Dr. Witteveen said that he thought that the gold market had already discounted most of the effects that the auction would have on the price.

He confirmed that the first two auctions will use the common-price technique and that the third will use the bid-price system.

The common-price technique allows the Fund to set the level

Continued on back page

Inflation forecast backed by CBI

BY ADRIAN HAMILTON

IN A remarkably bullish assessment of the economic situation, released yesterday, the Confederation of British Industry forecasts that inflation could be brought down to less than 5 per cent. over next year as a whole and below 4 per cent. by the end of 1977.

The report was drawn up before this week's pay deal. But, while CBI economists said yesterday that they might revise the figures marginally upwards, they believe that the much tighter control on drift should ensure that wage inflation remains fairly near the 6 per cent. expected by both themselves and the Treasury.

The CBI's general economic short-term forecasts for the country accord unusually closely with the Treasury's own views on the pickup over the next 18 months.

Like the Treasury, the CBI believes that output is now on the increase and will rise by 3 per cent. through 1976 and by some 4.5 per cent. through 1977.

The main impetus to this growth will come from exports rather than consumer demand, the CBI predicts. Forecasting a decline in the savings ratio, it still believes that this will be gradual.

It argues—again in line with Government forecasts—that unemployment will not decline until 1977. Higher output the CBI says, should cure the borrowing requirement in the next year.

In the short-term, the major difference between the CBI and Treasury appears to be in the forecasts of the growth in investment. While the Treasury expects—and, indeed, requires, if its hopes on recovery are to be justified—a rapid recovery in manufacturing investment, the CBI sees a much lower growth rate.

It is on the medium-term outlook that the differences between industry and the Treasury really emerge. Worried about how the revival can be maintained beyond next year, the CBI argues that there will have to be a rise in corporate profitability and a further reduction in public expenditure if the pick-up is not to end in capacity shortages and problems of sustaining exports.

The Treasury, which appears to be expecting a very rapid recovery in corporate liquidity and profitability this year and next, seems less convinced of this.

Lancashire miners reject pay proposals, Back Page

Industry may be freer to raise prices

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

INDUSTRY MAY be given considerably more freedom to raise prices despite the Government's determination to keep the existing Price Code after July.

The Department of Prices is believed to be considering a number of changes to the code which would go some way to answering industry's objections to the present system, while retaining the basic structure under which companies have to justify individual price increases to the Price Commission on the grounds of increased costs as well as keeping within profit margin ceilings.

Among the changes thought to be being considered are:

1—Inclusion of some provision for inflation accounting.

2—Improvement of the present investment relief scheme.

3—Reduction in or abolition of the productivity deduction which prevents companies passing on more than 80 per cent. of their increased labour costs in higher prices.

4—Some way of rewarding companies for greater efficiency while keeping to the present system of basing price rises on the unit cost of output.

5—Raising the level at which some of the profit safeguards come into effect.

No decision has yet been taken as to the value of the relief which will be given when the Code is altered, but it is clear that the Government recognises the need to do more than merely change the investment relief provisions if, as the Chancellor said on Wednesday, the Code is to be modified so as to encourage investment and jobs.

Costs

An acknowledgment of the need to introduce some provision for inflation accounting would be welcomed by industry, which has argued for some time that the present system is unrealistic.

At present, companies may charge depreciation as an allowable cost when applying for a price rise, but the depreciation is calculated on the basis of historic costs and not replacement costs.

While the Department of Prices is believed to be unwilling to pioneer all the changes recommended in the Sandilands report on inflation accounting, one compromise would be for it to allow some re-valuation of both assets and stocks based on a more realistic value than at present.

The Confederation of British Industry is likely to put the need to introduce some element of inflation accounting to the Code high on its list of priorities for change when it sees Mrs. Shirley Williams, Prices Secretary sometime next week.

Equally important in the light of the Government decision to maintain the allowable cost régime, will, it believes, be the need to give companies the option of basing their applications for price rises on the unit cost of input rather than of output.

At the same time, the CBI is also likely to press for the abolition of the productivity

Sir Campbell Adamson, director general of the CBI, made it clear yesterday that he regarded the issue of price controls as "fully negotiable" despite the Chancellor's statement.

The CBI, he said, would not be satisfied with anything less than major changes to the Code. "If, for shortsighted political reasons, the Government refuses to relax price controls, or continues to allow resources to be squeezed by excessive public expenditure, then Britain will not — indeed cannot — recover her industrial strength."

Industry must have action, he Sir Campbell, who was speaking in Leeds, also said that it would be extremely dangerous if anyone thought that, because agreement had been reached on pay, everyone could sit back and expect inflation to come "tumbling down."

"Unless we treat managers of industry with justice and unless we allow industry to restore its battered finances, a pay agreement—however welcome—will not lead to the industrial recovery and the full employment we all want."

The managers of industry had been shamefully treated over the last few years and had seen their living standards reduced out of all proportion by inflation and taxation.

Yet these were the people on whom the country depended as it moved out of the slump and began to expand again.

"Of course, we are all prepared to accept sacrifices to get Britain back on the road, but the burden must be fairly shared and must not remove all initiative and incentive."

The Government's twin targets, Page 16

£ in New York

	May 6	Previous
Spot	$1.829-1.830	$1.831-1.832
1 month	1.25-1.15 dis	0.34-0.24 dis
3 months	2.95-2.85 dis	2.95-2.85 dis
12 months	9.20-8.80 dis	8.45-8.35 dis

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LOMBARD

The debts issue is crucial, too

BY C. GORDON TETHER

THE FATE of the integrated plan for commodities on which the developing world has set its heart may well be the most important of the big political questions before the current UNCTAD conference in Nairobi. But the external debt issue certainly runs it a close second.

As the briefing paper prepared by the Overseas Development Institute points out, to the non-oil developing countries what happens here will be of far more immediate importance than the outcome of the commodities tussle. And there is also the fact that it could have implications of the greatest significance for all advanced world financial institutions—official and private—that are owed large sums of money by Third World countries.

The immensity of the problem which the growth of foreign indebtedness is throwing up for the non-oil producing developing countries may be gauged from projections made by the UNCTAD Secretariat. They indicate that, if these countries are to meet the—unhappily—all too modest target rate of growth set for the Second Development Decade, their import requirements will expand at a rate that would force their deficits on goods and non-financial services account up from the current level of $35bn. to $70bn. by 1980. Interest payments, profit remittances and amortisation would add a formidable $70bn. to this.

Major change

Thus, even if it were not painfully evident that a number of developing countries are already coming up to the point where they find themselves with no real option but to start defaulting on their maturing obligations, it would still be necessary to think in terms of promptly organising a drastic overhaul of this aspect of the international indebtedness problem.

That calls for a major change in the attitude of the creditor countries. For the UNCTAD secretariat is certainly not doing them an injustice when it labels their past attitudes as an "inadequate response to the situation." And, though there is a certain amount that can be done to meet the situation within the present context, there is no doubt that an assault on the problem on the scale required—and with the urgency required—can only come about as a result of a political decision to sanction some form of moratorium for poor country debts.

The big question, of course, is what form this should take. Hitherto the advanced countries have been loth to consider going much further than extending the debtor countries' obligations over a longer period. But there is increasing support for the view that, while this may meet the case where the better-off developing countries are concerned—their servicing difficulties often arising from short-term liquidity embarrassments rather than from a fundamental inability to pay—for the poorer countries nothing less than a major writing down, if not total elimination, of both official and private debts will suffice.

A rationale

It should be pointed out here that, in many cases, there exists a rationale for such action over and above the fact that the debtor countries have great difficulty in meeting their commitments. In a thoughtful examination of debt relief as a means of transferring resources from rich countries to poor ones, the Economic and Social Council of the United Nations has drawn attention to a number of very good reasons why the creditor countries ought to be prepared to accept the writing off or scaling down of debts due to them on humanitarian and similar grounds.

Thus it suggested that, in respect of debts arising from tied aid flows, about 20 per cent. could be justifiably written off "on the basis of what is, by now, a universal understanding that tied aid implies excess valuation of aid." And it went on to argue that the humanitarian rationale for writing off food aid debts was also strong, seeing that this had been provided to relieve hunger and that the same applied to such other components of past debts as those linked with the financing of unproductive projects.

Clearly, it will not be possible to reach final conclusions on the debt moratorium issue at the UNCTAD conference. It is a highly complex business that will have to be entrusted to a special conference. But it is to be hoped that the developing countries will maintain a firm enough front to ensure that the advanced countries will not be able to palm them off with vague promises.

This is particularly true where the timing of negotiations is concerned. For here is a matter wherein time is of the essence. And the advanced countries must not be allowed to gain time at the expense of the poverty-stricken ones by getting this operation deferred—as it seems some of them are trying to do—until the closing months of the year.

SALEROOM BY MICHAEL THOMPSON-NOEL

£4,600 for Archangel Michael

THE astonishing buoyancy of the stamp market was further underlined in a £63,654 Robson Lowe sale in Bournemouth yesterday which easily broke pre-sale forecasts.

Among yesterday's successes was a consignment of stamps and other items crammed into seven cardboard boxes and weighing 160 lbs. It was expected to fetch £400 but made £1,450.

Last week the company staged a two-day sale in Geneva which was expected to bring in £350,000 but produced £430,000. "The market is phenomenal at the moment," said the company. "Bidders are leaving their pencils in the air until they get what they want."

In Johannesburg the first day of an international Stanley Gibbons stamp auction realised £143,440. The high point came with the sale of a rare unused example of Canada's 1851 12d black which fetached a record £27,390.

In London, the highest price in a £171,723 sale of musical instruments at Sotheby's was the £22,000 paid privately for a violin by Joannes Baptista Guadagnini, made in Parma in 1761, while another private buyer paid £14,000 for a Stradivari (Cremona, 1736). This particular violin was the work of Antonio's son, Omobono, who with his brother Francesco worked in his father's study.

This Guadagnini violin fetched £22,000 at Sotheby's yesterday.

A violin by Francesco Ruggeri (Cremona, 1691) fetched £12,500 and one by Tommaso Balestrieri of Mantua made £10,500. What the catalogue described as a "fine and attractive miniature violin" by John Shaw (Manchester, 1905)—its total length was 4½ inches—was sold for £1,600, compared with a pre-sale estimate of £300-£400. The bought-in (unsold) percentage for this sale was 8.9.

A Sotheby's silver sale brought in £21,003, including £620 for a George III shaped circular salver by Ebenezer Coker of London (1770), while at Sotheby's Belgravia a sale of English ceramics totalled £30,507 (bought-in percentage: 3.9).

At Sotheby Parke Bernet, New York, on Wednesday, the first session of a marathon sale of Old Master and 19th and 20th century prints yielded £111,165, including £11,924 for a complete portfolio of 12 Marc Chagall lithographs (*In the Land of the Gods*) and £6,504 for a fine impression of the fourth state of five of Edgar Degas's *La Sortie du Bain*.

Christie's sale of Greek and Russian icons produced £78,635. The top price, £5,000, was paid privately for a late 16th century miniature *Deesis tchin* of the Moscow School.

A sale of Continental furniture, tapestries and Eastern rugs and carpets at Christie's amounted to £80,115, including £4,800 for a 17th century Italian marble centre table (estimate: £1,000-£1,500).

A Bonham's paintings sale totalled £70,613 and a furniture sale produced £15,092.

RACING BY DARE WIGAN

Spiranthes is the selection

THE OAKS Trial Stakes at Lingfield was won last year by Juliette Marny, who went on to win the Oaks proper a month later. But I doubt whether the winner at Epsom on June 4 is included in the runners for this afternoon's race (3.5), though there are possibilities about *Spiranthes* and *Miscou*.

Spiranthes, an American-bred filly by Vaguely Noble, whom John Dunlop trains for Mr. N. Bunker Hunt, was successful in a maiden race at Goodwood last August when trained by the late Bernard van Cutsem, and was a convincing winner at the Newmarket Guineas meeting.

Miscou, who Harry Wragg trains for Sir Philip Oppenheimer, shaped with promise over a mile at Ascot the other day, and will be better suited by the distance of to-day's race. Spiranthes is the selection.

Another who ran well at the Newmarket Guineas meeting is *Angel's Pathway*, who had previously shown good speed behind Private Line and Pascualete at Kempton.

It is reasonable to assume that Capt. Ryan Price will now have this Skymaster colt to his liking, and, with an advantage of 11 lb in the weights (14 lbs if one includes the 3 lb allowance claimed by top-class apprentice R. Fox) and 8 lb with Broxsted, Angel's Pathway appears to hold an outstanding chance.

It is rare for a two-year-old trained by Staff Ingham to start at 33-1 at Epsom, but those were the odds available about *Glensilver*, a grey colt by Capistrano, when he lined up as one of the four runners for the Hyde Park Stakes at the spring meeting.

But for losing several lengths at the start, he would probably have won, for he finished like a rocket, second to Mogul. It will require something useful to beat him in the Juliette Marny Stakes (2.0).

Eric Stuart has the beating of *Star Kestrel*, judged on their running at Newbury on April 9, but neither may cope with *Regal Rocket*, who shaped well behind Tall Lad at the Newcastle Easter meeting.

To-day's programme at Carlisle is uninspiring, but those who attend may do worse than follow the runners sent up from Sir Mark Prescott's Newmarket stable. He has had several winners already at the smaller Northern meetings, and can carry on the good work with *Selham* in Division One of the Bow Fell Stakes (4.15) and *Ringed Aureole* in the Great Gable Stakes (4.45).

LINGFIELD
2.00—Glensilver*
2.35—Regal Rocket
3.05—Spiranthes**
3.35—Angel's Pathway***
4.10—Galahad II
4.40—Prinia

CARLISLE
3.15—Heriot
3.45—Kernel Rose
4.15—Selham
4.45—Ringed Aureole

TV/Radio

† Indicates programme in black and white.

BBC 1

7.05 a.m. Open University (UHF only). 9.38 For Schools. Colleges. 10.45 You and Me. 11.00 For Schools. Colleges. 12.45 p.m. News. 1.00 Pebble Mill. 1.45 In the Town. 2.02 For Schools. Colleges. 3.25 Pobol y Cwm. 3.58 Regional News (except London). 4.00 Play School. 4.25 Dastardly and Muttley in their flying machines. 4.30 Jackanory. 4.45 Right Charlie. 5.15 Newsround Update. 5.40 Paddington. 5.45 News. 6.00 Nationwide. 6.45 Sportswide. 6.55 The Wonderful World of Disney. 7.40 Spartakiade. 8.30 Wodehouse Playhouse. 9.00 News. 9.25 Starsky and Hutch. 10.15 To-night. 10.45 A Secret England. 11.15 Weather/Regional News. 11.17 Come Dancing. †11.52 The Friday Film: "Mickey One," starring Warren Beatty.

All regions as BBC 1 except at the following times:

Wales—1.45-2.00 p.m. O Dan Y Mor. 6.00-6.55 Wales To-day. 6.55-7.10 Heddiw. 7.10-7.40 Eira Ddoe. 10.15-10.45 Kane On Friday. 10.45-11.15 Poems and Pints. 11.15-11.17 News for Wales.

Scotland—6.00-6.55 p.m. Reporting Scotland. 6.55-7.10 Cartoons. 7.10-7.40 The Food Programme. 8.30-9.00 Current Account. 10.45-11.15 Scope. 11.15-11.17 News for Scotland.

Northern Ireland—3.58-4.00 p.m. Northern Ireland News. 6.00-6.55 Scene Around Six. 10.45-11.15 One Night Stand. 11.15-11.17 News for Northern Ireland.

England—6.00-6.55 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South West (from Plymouth). 10.45-11.15 London: A Secret England: North (from Leeds) Week-end Out; North West (from Manchester) Champion Brass; North East (from Newcastle) A View of Upper Wensleydale; Midlands (from Birmingham) A Summer of Gardens: West (from Bristol) The "E" (for Environment) Show: South West (from Plymouth) Peninsula; South (from Southampton) Master of the Moon: East (from Norwich) On Camera.

BBC 2

6.40 a.m. Open University.
11.00 Play School.
5.00 p.m. Open University.
7.05 Mr. Smith's Vegetable Garden.
7.29 Weather.
7.30 Newsday.
7.50 Top Crown.
8.15 The Money Programme: Import and Die?
9.00 It's Patently Obvious.
9.30 Jazz Ship.
10.10 Playhouse.
11.10 Newsnight.
11.25 Closedown: Cyril Cusack reads "Modern Love," by John Keats.

LONDON

9.30 a.m. Schools Programmes. 12.00 A Handful of Songs. 12.10 p.m. Hickory House. 12.30 Battle for the Cities. 1.00 p.m. First Report: News, plus FT index. 1.20 Lunchtime To-day. 1.30 Couples. 2.00 Good Afternoon Money-Go-Round. 2.30 Racing from Lingfield. 3.50 General Hospital. 4.15 Soldier and Me. 4.50 You Must Be Joking! 5.20 University Challenge.
5.50 News from ITN.
6.00 To-day — The London Report.
6.35 Crossroads.
7.00 Sale of the Century.
7.30 The Fosters.
8.00 Police Woman.
9.00 Hadleigh.
10.00 News At Ten.
10.30 General Strike Report.
10.45 The Wheeltappers and Shunters Social Club.
11.30 Police Five.
11.40 Shannon's Mob.
12.40 a.m. Homosexuality — Towards a Christian View.

All ITV regions as London except at the following times:

ANGLIA

1.25 p.m. Anglia News. 6.00 About Anglia. 8.00 The Magician. 10.45 Probe. 11.15 Shaft. 12.35 a.m. Christians in Action.

ATV MIDLANDS

1.20 p.m. ATV Newsdesk. 5.20 Hogan's Heroes. 6.00 ATV Today. 7.05 Meet Peters and Lee. 7.30 Streets of San Francisco. 8.30 The Fosters. 10.45 The Monster Movie: "Count Yorga, Vampire."

BORDER

†1.20 p.m. Border News. 6.00 Border News and Lookaround. 7.05 Meet Peters and Lee. 7.30 Hawaii Five-O. 8.30 The Fosters. 10.45 The Late Night Film: "Blood on Satan's Claw." †12.30 a.m. Border News Summary.

CHANNEL

1.20 p.m. Channel Lunchtime News and What's On Where. 6.00 Report at Six. 7.00 Meet Peters and Lee. 7.30 Hawaii Five-O. 8.30 The Fosters. 10.45 Here Comes the Future. 11.00 Late Night Film: "Apartment for Peggy." 12.45 a.m. News and Weather in French.

GRAMPIAN

1.20 p.m. Grampian News Headlines. 5.20 University Challenge. 6.00 Grampian Today. 7.00 Meet Peters and Lee. 8.00 Hawaii Five-O. 10.45 The Late Film: "Terror on the Beach." 12.10 a.m. Evening Prayers.

GRANADA

1.20 p.m. This Is Your Right. †5.15 Checkmebonds. 5.20 Crossroads. 6.00 Granada Reports. 6.35 The Persuaders! 7.30 The Magician. †10.50 The Oscar Winners: Gary Cooper in "High Noon." 12.20 a.m. The Birth of the Bomb.

HTV

1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 Women Only. 5.20 Daily Table. 5.25 Crossroads. 6.01 Report West. 6.15 Report Wales. 6.30 Meet Peters and Lee. 7.00 Mr. and Mrs. 7.30 The Streets of San Francisco. 8.30 The Fosters. 10.45 Orson Welles Great Mysteries. 11.15 Bannaw.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion y Dydd. 4.15-4.50 Stesion Caetamil. 6.01-6.15 Y Dydd. 10.45 Outlook On Industry. 11.45 Yes—Honestly.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.15-6.30 Report West.

SCOTTISH

12.30 p.m. Time To Remember. †1.25 Road and Weather Report. 2.00 Housecall. 5.20 Piper and his Friends. 5.25 Crossroads. 6.00 Scotland Today. 6.30 Don't Drink the Water. 7.00 A Little Bit of Wisdom. 7.30 The Luis Hour. 8.30 The Fosters. 10.45 Ways and Means. 11.15 Late Call. 11.20 Late Night Thriller: "Savage."

SOUTHERN

1.20 p.m. Southern News. 2.00 Women Only. 5.20 Lumber Jerks. 5.25 Crossroads. 6.00 Day by Day (Channels 6, 11, 27, 42, 50 and 60). 6.00 Scene South East (Channels 10, 43, 64 and 66 only). 6.40 Meet Peters and Lee. 7.30 The Fosters. 7.40 Mystery Movie: Columbo. 10.45 A Southern Report. †11.15 "A Matter of Choice" starring Anthony Steel. 12.20 a.m. Southern News Extra.

TYNE TEES

9.25 a.m. Starting Point. 1.20 p.m. Lunchtime News and Lookaround. 5.20 Wait Till Your Father Gets Home. 6.00 Today At Six. 7.00 Meet Peters and Lee. 7.30 The Magician. 8.30 The Fosters. 10.45 Sportstime. †11.15 Friday Night Film: "I Married A Monster From Outer Space." 12.45 a.m. Epilogue.

ULSTER

1.20 p.m. Ulster News Headlines followed by Lunchtime. 4.13 Ulster News Headlines. 6.00 UTV Reports. 7.00 Meet Peters and Lee. 8.00 Here's Lucy. 8.30 Sportscast. 10.45 Friday Film: "See the Man Run."

WESTWARD

12.25 p.m. Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 6.00 Westward Diary and Sports Desk. 7.00 Meet Peters and Lee. 7.30 Hawaii Five-O. 8.30 The Fosters. 10.45 Westward Late News. 10.48 Late with Danton. 11.03 Late Night Film: "Apartment For Peggy," starring Jeanne Crain. 12.45 a.m. Faith for Life.

YORKSHIRE

11.40 a.m. Calendar Election News. 1.20 p.m. Calendar News. 5.20 The Beachcombers. 6.00 Calendar. 7.00 Meet Peters and Lee. 7.30 The Magician. 8.30 The Fosters. †10.45 The Oscar Winners: "High Noon," starring Gary Cooper.

RADIO 1 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn. 12.00 Johnnie Walker, including 12.30 p.m. Newsbeat. 2.02 David Hamilton (S) (also on VHF). 4.30 Pinky's Round Table. 5.45 Newsbeat. 6.02 John Dunn (S) (also Radio 2). 11.00 John Peel (S) (also on VHF). 12.00-12.05 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Colin Berry (S), including 6.15 Pause for Thought. 7.02 Simon Bates (S), including 8.27 Racing Bulletin. 8.45 Pause for Thought. 9.02-11.30 Terry Wogan's Open House (S), including 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 1.50 p.m. Sports Desk. 1.55 Good Listening (VHF). 2.02 David Hamilton (S) as Radio 1, but including on 1,500m only (also 202m Scotland) 2.45 Sports Desk and Racing from Lingfield Park. 4.30 Waggoners' Walk. 4.45 Sports Desk. † 4.50 John Dunn (S), including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 Funny You Should Ask. 7.30 Sports Desk. 7.33 Let's Harmonise (S). 8.02 Ronnie Aldrich conducts the BBC Radio Orchestra (S). 9.02 Friday Night is Music Night (S). 10.02 Sports Desk. 10.05 Take Your Partners at the Radio 2 Ballroom (S). 11.02 Len Jackson with The Late Show (1,500m only, also 202m Scotland. VHF Joins Radio 1). 12.00-12.05 a.m. News.

RADIO 3 464m. Stereo & VHF

‡ Medium Wave only

7.00 a.m. News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composer: Stravinsky (S). 9.45 Radio 3 at Horsham, part 1 (S). 10.35 Interval Reading. 10.45 Concert, part 2. 11.35 The Flute (S). 12.05 p.m. Bizet concert, part 1 (S). 1.00 News. 1.05 Playhill (S). 1.20 Bizet concert, part 2 (S). 2.10 In Short. 2.20 Victoria and Albert Concert, part 1 (S). 3.15 Preserving the Past: talk. 3.25 Concert, part 2. 4.20 The Muse of Franz Reizenstein, concert, part 1 (S). 4.26 Talk by Margaret Reizenstein followed by concert, part 2. 5.25 Pied Piper (S). 5.45 Homeward Bound. 6.05 News. 6.10 Homeward Bound (continued). 6.30 Lifelines: Leisure and Recreation. 7.30 Benedictine Vespers in Westminster Abbey (S). 8.30 Music Now. 9.00 Vivaldi violin recital (S). 9.15 Winchester in Wesley's Time. 9.30 Music from Pebble Mill, part 1 (S). 10.25 Bunyan's Progress. 10.45 Concert, part 2 (S). 11.25 News.

Radio 3 VHF only—6.00-7.00 a.m. and 5.45-7.30 p.m. Open University.

RADIO 4 434m, 330m, 285m and VHF

6.20 a.m. News. 6.22 Farming Today. 6.40 Prayer for the Day. 6.45 Today. 7.00 News and more of Today including 7.25 VHF Regional News. 7.45 Thought for the Day. 8.00 News and more of Today including 8.25 VHF Regional News. 8.45 Yesterday in Parliament. 9.00 News. 9.05 Voice of the People. 9.10.00 News. 10.05 Checkpoint. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 The Day We Won the War. 12.00 News. 12.02 p.m. You and Yours. 12.27 Twenty Questions. 12.55 Weather and programme news. VHF (except London and S.E. Regional News. 1.00 The World At One. 1.30 The Archers. 1.45 Woman's Hour (from 2.00). 2.45 Listen With Mother. 3.00 News. 3.05 Afternoon Theatre (S). 4.00 News. 4.05 Any Answers? 4.35 Story Time. 5.00 PM Reports. 5.50 Financial Report. VHF Regional News. 5.55 Weather: programme news. 6.00 News. 6.15 Brain of Britain 1976. 6.45 The Archers. 7.00 News. 7.05 The World In Focus. 7.30 Pick of the Week. 8.30 Any Questions? 9.15 Letter from America. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.45 A Book at Bedtime. 11.00 The Financial World Tonight. 11.15 Today in Parliament. 11.25 Week Ending. 11.40 News.

For Schools (VHF only)—10.00 a.m.-12.00 and 2.00-3.00 p.m.

BBC Radio London 206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Richard Vaughan with Rush Hour. 9.00 Susie Barnes with London Live. 11.03 In Town. 12.03 p.m. David Simmons' Call In including 12.45 London News Desk. 2.03 Paul Owens with 206 Showcase. 3.05 The London Gardener. 4.03 Lobby. 4.32 Tony Fish with Home Run including 5.00 and 6.00 London News Desk. 6.10 Carry On Councillor. 6.30 Sportsfield. 7.00 In Town. 8.00 Good Fishing. 8.30 Guideline. 10.03 Single File. 12.00-12.05 a.m. As Radio 2.

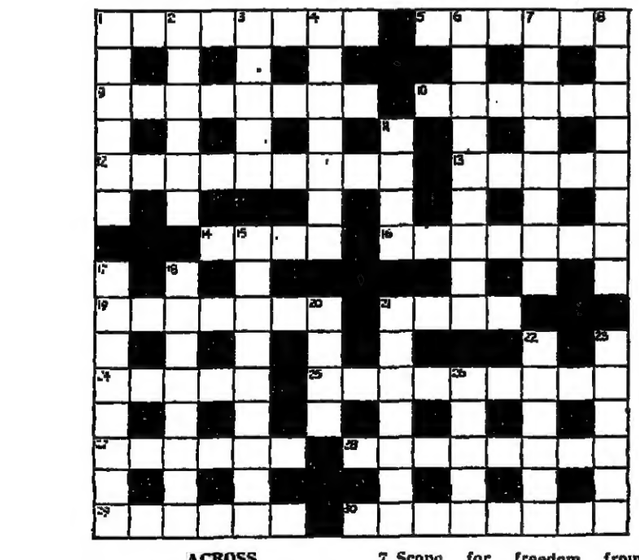
London Broadcasting 261m and 97.3 VHF

5.00 a.m. Morning Music. 6.00 "AM"—breakfast-time show. 10.00 Brian Hayes. 1.00 p.m. Newswatch. 5.00 Newsbreak. 7.30 Arena. 9.00 David Bassett. 1.00-5.30 a.m. Nightwatch—news every half-hour.

Capital Radio 194m and 95.8 VHF

6.00 a.m. Graham Dene: The Breakfast Show. 9.00 Michael Aspel. 12.00 Dave Cash: Cash On Delivery. 3.00 p.m. Roger Scott. 7.00 Jane Walmsley and Bryan Wolfe: London To-day. 7.30 Adrian Love: Open Line. 9.00 Nicky Horne: Your Mother Wouldn't Like It. 11.00 The Late Show. 2.00 a.m. Night Flight.

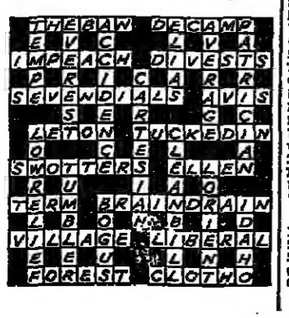
F.T. CROSSWORD PUZZLE No. 3,073



ACROSS
1 Relevant stuff (8)
5 Climbed to be weighed (6)
9 Exhausted a down-and-out (4-4)
10 Walk like soldiers—using part of foot (6)
12 A French company showing disinterest (9)
13 Put underground in train terminus (5)
14 Comply with order to your leader (4)
16 Step on the French pedal (7)
19 One side of the street—or the middle. . . (7)
21 . . . or the one and the other (4)
24 Something advantageous when planted (5)
25 Substitute every second (9)
27 The distance up a hill (6)
28 Connection of lines—but it can't be granny (4-4)
29 Dismal and uninteresting around receiver (6)
30 Fascinate the g[illegible]

DOWN
1 Channel of information supplied by spiritualist. . . (6)
2 . . . creating catalepsy by putting a small amount round pole (6)
3 Probing bird in centre (5)
4 A rotter initially entered my specialised school (7)
6 Temperate large mass of land (9)
7 Scope for freedom from restraint (8)
8 Role in act but it's gone (8)
11 Part of teak not common to all woods (4)
15 Bad spirit in beer? No, just a charmer! (9)
17 Enclosed warmth in outhouse (8)
18 Pimento — entirely an aromatic condiment (8)
20 Period of time? Yes, right! (4)
21 Bird taking beer north (7)
22 Collide with a big shot? (6)
23 Pay for land (6)
26 Assign preference to lose money (5)

Solution to Puzzle No. 3,072



ENTERTAINMENT GUIDE

OPERA AND BALLET

COLISEUM. (01-836 3161) LONDON FESTIVAL BALLET Evgs. 7.30. Mat. Sats. 3. Tonight & Tomor. Parade, Mendelssohn Symphony, Le Cog d'Or. Mon., Tue. Wed. & Thur. Le Spectre de la Rose, Giselle.

COLISEUM June 1 to July 17 NUREYEV FESTIVAL Rudolf Nureyev will appear with three companies and will dance at each perf. June 8 to 19: London Festival Ballet. June 22 to July 3: Nureyev and Friends. July 5 to 17: The Scottish Ballet. BOOKING NOW OPEN. 836 3161.

COVENT GARDEN. 240 1066. THE ROYAL OPERA Tonight & Wed. 7.30 Eugene Onegin. Tomorrow 2. Mon. & Thur. 7.30 A Midsummer Night's Dream. Tomor. & Tue. 7.30 Rigoletto. Seats avail. 65 Amphi seats for all perfs. on sale from 10 a.m. on day of perf.

THEATRES

ADELPHI THEATRE. 01-836 7611. Opening Tuesday, June 15. IRENE THE MUSICAL MUSICAL REDUCED PRICE PREVIEWS FROM FRIDAY, JUNE 4

ALBERY. 836 3878. Evenings at 8.00. Mats. Thurs. 3. Sats. 5 and 8.15 sharp. National Theatre Production COLIN BLAKELY in EQUUS by PETER SHAFFER. Directed by JOHN DEXTER "STUNNING and COMPELLING." Std.

ALDWYCH. 836 6404. Inf. 836 5332. Royal Shakespeare Company. Evenings 7.30. Mat. Sat. 2.0. BRITISH PREMIERE OF Maxim Gorky's THE ZYKOVS "... a masterful production . . . which no intelligent man can afford to miss" Sunday Times.

AMBASSADORS. 836 1171. Evgs. 8.00. Mats. Tuesday 2.30. Sat. 5.30. 8.30 HAPPY AS A SANDBAG THE WONDERFUL HIT MUSICAL "Delightful. Don't miss it." Daily Exp.

APOLLO THEATRE. 01-437 2663. Evenings 8.30. Sat. 5.30 and 8.30 BARRY HUMPHRIES in HOUSEWIFE—SUPERSTAR!! Last 2 weeks—transfers Globe May 19.

BROADWAY TH. Maida Vale. 328 3490. Mon.-Th. 8.30. Fri., Sat. 7 & 9.15. "Rocky Horror fan should find it all to their taste." Times. CYCLE SLUTS Last 2 Weeks.

CAMBRIDGE 01-836 6056 Evgs. 8.0. Wed. and Sat. 5.0 and 8.15. 2ND "TERRIFIC" YEAR THE BLACK MIKADO "The Critics: "IRRESISTIBLE." "MARVELLOUS." "SPECTACULAR." "EXCITING." "BRILLIANT."

COMEDY THEATRE. 01-930 2578. Evenings 8.0. Saturday 5.0 and 8.30. ADAM FAITH in CITY SUGAR by Stephen Pollakoff "VERY, VERY FUNNY." Telegraph. MUST END MAY 15.

COMEDY THEATRE. 01-930 2578 Reduced price prevs. from 19 May at 8. Opens 24 May at 7. Subs. Eves. 8. PAUL SCOFIELD in DIMETOS Written and Dir. by ATHOL FUGARD.

CRITERION. 930 3216. Evenings at 8.00. Sats. 5.00 and 8.00. Mat. Thurs. 3.00. ANTON RODGERS, PETER VAUGHAN and NICOLA PAGETT in GASLIGHT "A CLASSIC AMONG STAGE THRILLERS." Daily Mirror. "Spine chilling." Evg. News. "A spectacular success." Stage. "Splendidly well done." Punch.

DRURY LANE 01-836 8108 Evgs. 7.30. Matinees Wed. and Sat. 2.30. ROY CASTLE as BILLY

DUCHESS. 836 8243. Evenings 8.0. Fri., Sat. 6.15 and 9.0. OH! CALCUTTA! NOW IN ITS 6th YEAR "Breathtakingly Beautiful." S. Tel. "The Nudity is Stunning." D. Tel.

DUKE OF YORK'S. 01-836 5122. Evgs. 8. Sats. 5.15, 8.30. Mat. Wed. 2.30. ELIZABETH SEAL, SHEILA STEAFEL "Dances stunningly." "Is hilarious." FT. "The funny and charming." Gdn. SALAD DAYS "The company are as magical as their piano . . . a touch of spring and daffodils in the West End." D. Telegraph.

FORTUNE. 836 2238. Mon. to Sat. 8. Mat. tomorrow at 3. Thurs. at 3. LILA KEDROVA SIMON WILLIAMS VERONICA QUILLIGAN MARY KERRIDGE "Matching the best—this sparkling Gigi . . . charming." D. Exp. VERONICA Quilligan . . . "Entrancing." Times.

GARRICK THEATRE. 01-836 4601. Evening 8.0. Fri., Sat. 5.30 and 8.30. RICHARD BECKINSALE in "side-splittingly funny." (Daily Mail) in FUNNY PECULIAR "Mike Stott's exceptionally fine, vastly entertaining, brilliant comedy." S. Times. "More good laughs than any other play in London." Observer.

THEATRES

GLOBE. 437 1592. Evenings 8.00. Mat. Wed. 3.00. Sat. 5.00 and 8.15. TONY BRITTON PETER BLYTHE, JILL MELFORD THE CHAIRMAN A Comedy by PHILIP MACKIE "Most enjoyable . . . real delight." D. Tel. "Exemplary farce playing." Tms. MUST END MAY 15 BARRY HUMPHRIES transfers here from Apollo May 19.

GREENWICH THEATRE. 01-858 7755. Evening 8.0. Matinees Sat. 2.30. SUSAN HAMPSHIRE, MARTIN SHAW in MISS JULIE

GREENWOOD, LONDON BRIDGE. Festival Du Theatre Francais. Evgs. 8.0. Mat. Sat. 4.30. Replacement for "Surena II" in DIDEPOT'S "La Levue de Rameau." Simultaneous translation. 403 0592.

HAYMARKET. 930 9832. Evenings 8.00. Matinee Wed. 2.30. Sat. 5.00 and 8.15. Edward Woodward, Geraldine McEwan, Jeanie Linden, Edward Hardwicke in Frederick Lonsdale's ON APPROVAL "You should rush to see it." Daily Tel. "It got my approval." Evg. News. "An evening of comic delight." Harold Hobson, Sunday Times.

HER MAJESTY'S. 930 6606. Evgs. 8.00. Mats. Wed. 2.30. Sat. 5.45 and 8.30. The new hit African Musical IPI TOMBI "PULSATING MUSICAL." Evg. News. "The huge cast is superb." S. Times.

KINGS ROAD THEATRE. 352 7488. Mon. to Th. 8.00. Fri. Sat. 7.30, 9.30. THE ROCKY HORROR SHOW BEST MUSICAL OF THE YEAR "Impossible to over-praise." Punch.

LYRIC. 01-437 3686. Evenings 8.0. Mat. Wed. 3.00. Sat. 5.00 and 8.30. JOAN PLOWRIGHT JOHN MOFFATT, FRANK GRIMES in THE BED BEFORE YESTERDAY

LYTTELTON. (New National Theatre). 928 2252. Tonight & Mon. at 7.45. Tomorrow at 2.30 and 7.45. WATCH IT COME DOWN by John Osborne Tues. 7.45 Plunder OVER 100 EXCELLENT £1 SEATS ON SALE DAY OF PERFORMANCE

MAYFAIR. 629 3036-493 2031. LAST 2 WEEKS. Must end May 15. Mon.-Th. 8.15. Fri., Sat. 5.45 and 8.30. James BOLAM, Jane ASHER, Stephen MOORE in Christopher HAMPTON'S TREATS "SENSATIONAL." Sunday Times. Seats from 80p. Dinner Show £5.50.

MERMAID. 248 7656 Food 248 2835. Evenings 8.15. Matinee Sat. 5.0. Millicent Martin, Julia McKenzie, David Kernan, Ned Sherrin in SIDE BY SIDE BY SONDHEIM A Musical Entertainment. "Superlative . . . the audience just went wild." D. Tel. "Supremely polished, impeccably performed . . . one of the hits of the season." Daily Express. Seats from 75p. Dinner-Show £5.95.

NATIONAL THEATRE see under Lyttelton.

PALACE. 01-437 6834. Mon.-Thurs. 8.00. Fri., Sat. 6.0 and 8.40 JESUS CHRIST SUPERSTAR

PALLADIUM. 01-437 7373. Evenings 8.0 until Saturday. Show Business Personality of the Year. BRUCE FORSYTH In his own "One Man" Laughter Show.

PALLADIUM. 01-437 7373. W.c May 10 for 1 week. Mon. 7.30. Tues., Wed., Fri. 8.0. Thur., Sat. 6.15 and 8.45. JOEL GRAY BROTHERHOOD OF MAN JOHNNY HACKETT

PALLADIUM. 01-437 7373. June 7th for 14 perfs. only JULIE ANDREWS Box Office NOW OPEN

PHOENIX THEATRE SEASON 1976. LAST WEEK—must end Saturday. Tonight 8.0. tomor. 3.0 & 8.0. GLYNIS JOHNS LOUIS JOURDAN "A superb lesson in the art of farce-playing"—Daily Mail. 13 RUE DE L'AMOUR "Bedroom farce at its funniest"—People. MAY 12th TO JULY 3rd LIMITED 8

Covent Garden

A Midsummer Night's Dream

by ELIZABETH FORBES

Covent Garden on Wednesday vived Britten's opera *A Midsummer Night's Dream*. Staged y John Copley the production now 15 years old—is in spick nd span condition, while John iper's sets, carefully lit by William Bundy, still shimmer ith a fair degree of magic. The ast, mainly familiar from prelious revivals, is headed by ames Bowman as Oberon; his oice fills the theatre comfortbly, proving once again that he role can be sung by a counter tenor in a large-sized house, nd that Britten knew very well hat he was doing when he wrote he part for that voice.

Mr. Bowman is well partnered y Jill Gomez as Titania; she ings her lovely music with pure, resh tone and moves gracefully. Julian Littman, who has played Puck in the English Opera Group production of *A Midsummer Night's Dream*, makes one of the most agile and fleet-footed Robin Goodfellows imaginable. He can also project — and inflect — the text idiomatically. The band of fairies is a talented and harmonious bunch: John Foulkes's amusing Moth deserves special mention for his acting ability.

A particularly strong quartet of lovers has also been assembled, so their quarrels and recriminations, which can be tedious, are thoroughly entertaining. Josephine Barstow is a magnificently zany Helena; Anne Howells makes a delightful Hermia; Ryland Davies' stalwart Lysander and Benjamin Luxon's determined Demetrius complete the quartet. Each sings well individually, and their voices blend euphoniously together; once or twice words are lost.

Michael Langdon has long been a bully Bottom. A bit subdued at first on Wednesday, he soon warmed up, and as usual he wears his ass's head with great style. Richard Van Allan makes a gentle, humorous Quince, while Francis Egerton, a virtuoso Flute, has added a few more telling touches to his performance as Thisbe in the play scene; aspiring prima donnas should study his arm movements. Meredith Davies conducts; he brings out the mysterious, moonlit quality of the score in the fairy scene, and does not over-point the comic side of the Mechanicals. The orchestra could play with even greater refinement.

Fortune

Gigi

by B. A. YOUNG

Colette's tale of the 16-year-old girl from a family of *grandes horizontales* who is more interested in getting married than kept is a thoroughly reliable tear-jerker, and with favourable playing can almost be made to look like a masterpiece. The stage adaptation by Anita Loos cannot match the novel, because it misses the sensuousness of Colette's writing, the physical feeling for such things as clothes and food and furniture; but it is true romance — better perhaps with songs, which it doesn't have at the Fortune.

Gigi doesn't quite seem like a masterpiece in this production. It has Lila Kedrova as Alicia, the bawdy great-aunt with the distinguished horizontal history who makes it her business to set up the child with *Gaston* Lachaille the wealthy young gallant. Miss Kedrova's acting is a mass of mannerisms, her syllables jerked out like puffs of steam from an express locomotive; her voice breaking out in moments of special exaltation into a squeak like an angel's hiccup; but anything she does is all right with me as long as she takes care to make all her words clear.

It has Veronica Quilligan as Gigi, beautifully natural and

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down to earth, horribly uncomfortable in the smart clothes Alicia has provided for her, a genuine schoolgirl in her serviceable tartan dress. I liked her performance very much.

Nothing else carried me away, apart from Kenneth Mellor's revolving set with Gigi's home on one side and Alicia's boudoir on the other. Simon Williams does not show panache enough for a society leader of the Belle Epoque, and his voice becomes curiously shrill now and then when it should remain crisp and even and impervious to the dictates of the emotions; and as Gigi's grandmother, Alicia's sister, Mary Kerridge is altogether too domestic. She too has been gay in her time, and she is deep in the plot to set Gigi up as a kept woman.

I get the impression that David Giles, the director, must have told everybody to "have a go," even in the smallest parts, which ought to be kept flat, part of the scenery. So as Gigi's mother Anna Sharkey gives a music-hall impression of a bad opera-singer at home, squawking and screaming at her *Lakme* Bell song and her scales to fill up uneventful passages that should be left uneventful. Even Clifford Parrish as Alicia's manservant Victor, doubtless meaning to "make something interesting" of the part, has apparently become one of the family rather than a continental Jeeves.

Good tear-jerker then, not masterpiece. It has some telling moments on the way to its saccharine conclusion, but it remains a work of craft rather than of art. I'm not sure I didn't like it better with songs.

Trevor Humphries

Manola Asensio and David Long in London Festival Ballet's 'Le Coq d'Or' at the Coliseum last night

ICA Theatre

Article Five

by JEREMY KINGSTON

Disconcerting to emerge from this lunchtime play into a Mall where the pretty green flags of Brazil flutter in the sunlight. For Brian Phelan's play is about torture, how practised and by whom. By Brazil, of course, though her name appears as only one among many in the long list of offending countries named at the play's close. It is a list that embraces the globe, including our own dear, dearly-defended U.K.—whose honourable flag hangs alongside Brazil's in the carefree summer sunshine.

Three fatigued practitioners of torture have flown back to the discreetly smart London office that arranges their employment. A chance meeting with an injudiciously curious client spurs them to demonstrate their art of "causing commotion" in the human body, their employer's secretary their victim. She is stood hooded against a wall, electric terminals are placed on her feet, she is forced to hear the feedback of her own screams.

Such acts are paid for, Mr. Phelan tells us, by us, in our taxes, by our governments. In the name of order. At the close the three men stand shoulder to shoulder—George Roubicek's fierce Liverpudlian, the drily explanatory George Sweeney "good with gadgets," and silver-haired Jack May. In their coolness and calmness they are like the wise angels of *The Cocktail Party*, the secret guardians of our realms.

And yet not secret at all. Known but not acknowledged. At the ICA, where the play is part of the Socialist Theatre Season, the audience will not be large and will arrive informed of the play's content. The audience for whom the play was originally intended would have been very much greater but BBC TV, who commissioned it and recorded it last year, banned it in February. How interesting it would be to learn their reasons.

The play is a neat and straightforward piece, modest in scope yet passionate in aim. "I don't care now the animal died, I just want my bacon crisp when it's fried." If that attitude to animals is reprehensible, how much more so must be the same approach to human kind. But maybe the BBC does not want us to worry our heads about ugly matters when there are so many such beautiful things to make us happy. And the apple blossom out too. And sparrows and vultures in the Mall.

Cinema

The censor's day off

by NIGEL ANDREWS

Tenderness of the Wolves (X) Gate
Brown Ale with Gertie (X) Gate
Lies My Father Told Me (A) Columbia

Fritz Haarman was executed in Germany during the 1920s for the murder, accompanied by sexual assault, of some 25 adolescent boys. A sanitised version of the Haarman story was presented by Fritz Lang in his 1931 film *M*: sanitised because the homosexual element was left out (and, except by implication, the sexual) and the murderer was played by Peter Lorre as a nervous, pop-eyed, scuttling young man with a pathological but oddly ascetic interest in murdering little girls.

Tenderness of the Wolves is the third and latest celluloid version of the Haarman story (the second one was called *Vampire of Dusseldorf*), and it gives us the tale in all its gory reality. The posters proclaim "Fassbinder's *Tenderness of the Wolves*" (or appear to until you read the small print), but the infant prodigy of German cinema only produced and co-edited the film, and took a small part. The director was Ulli Lommel, an actor from Fassbinder's troupe, and the screenplay was written by Kurt Raab who also plays the main role.

When the film was shown at the Berlin film festival three years ago, it was picketed by members of Germany's Gay Liberation Front. They felt that at a time when homosexuals are patiently trying to propagate the idea that Gay is Good (or at least innocuous) it doesn't help when a film comes along which confirms the stereotypes of public hostility by confining its depiction of homosexual activity to paedophilia, vampirism and murder. Although I don't share the GLF's militant paranoia, a suspicion does occur to me that the reason this unusually explicit chronicle of atrocity has got past the British censor is that it is no threat—rather a gentle boost—to the moral prejudices of society. For those who already believe that it is but a short step from homosexuality to child-molesting, and worse, here, one might think, is ample encouragement for their views.

If I find myself writing around the film rather than about it, it's because *Tenderness of the Wolves* is one of those works more interesting for the moral dust they raise than for their qualities as film. Lommel and Raab have presented Haarman's story as a series of flat, tableau-like scenes, much in the Fassbinder manner, and also make token nods in the direction of Lang's M. (Raab's bald and broody murderer is a near-facsimile of Lorre: the police hunt is viewed with Lang-ian cynicism). But the spark that might have welded the different scenes and different influences together never comes, and the frozen, picture-book style that is so effective in Fassbinder's own work here often seems simply bloodless and inert.

For much of its 83 minutes, furthermore, the film gives the impression of marking time between its gory set pieces. (Our hero's custom is to lure some comely youth up to his attic room and, having seduced him, to sink his teeth into the young man's neck). The film is set in some indeterminate period of German austerity (a telescoping, it would seem, of the Twenties and Thirties), and between murders Haarman is shown as operating a profitable black-market side-line by chopping his victims up and selling them as butcher's meat.

Here not least the film seems uncertain, even careless, of its tone: is this black comedy or a tragic allegory of man's exploitation of man? The noncommittal style blurs any distinction between the two, and gives to the scenes that fill out the rest of the film—Haarman's activities as a police informer, the prurient curiosity of the female neighbour (Margit Carstensen) who hears Herr Haarman's midnight shopping activities—an all-purpose air of the macabre that tells us nothing about the hero's actual motives and emotions, and precious little about those of the society that persecutes him.

★

Much better value is the second half of the Gate cinema's new programme. *Brown Ale with Gertie* is another film in which sex and violence rear their controversial heads. (Was the censor in mellow mood when he passed these films uncut?) Alan Brown's back-handed tribute to *Cider with Rosie*, a portrait of adolescence that replaces pastoral nostalgia with industrial disgust, is brimming with enormities. Murder and gang-banging are but two of the activities featured here, but unlike *Tenderness of the Wolves*, this 30-minute film by a young British director (it was financed by the British Film Institute Production Board) has a clear sense of purpose and even clearer qualities of wit, imagination and visual energy. I wrote about the film at length some weeks ago (when it appeared at the Thames film festival), so I won't elaborate further here except to repeat that it is one of the best British films I have seen in recent years, and that any British producer looking for native talent to invest in should hurry along to *the Gate at the first opportunity*.

★

Lies My Father Told Me is a long, plangently sentimental tale of Jewish family life in turn-of-the-century America: the story of a little boy, growing up in a kind of all-Jewish shanty town somewhere in the Midwest, whose loyalty is torn between his noisy, quarrelling, indigent parents and the wise, kindly, long-suffering grandfather they sponge off. The film's 104 minutes crawl by with agonising slowness, threatening at moments of extreme sentimentality to seize up altogether, and director Jan Kadar has managed to assemble quite the most picturesquely bad collection of performances I have seen in an American feature film since *Mandingo*.

★

Since they produced their report in January of this year, members of the Government working party on the future of the British film industry must have become accustomed to the sound of brickbats flying through the air in their direction from Fleet Street. The missiles are still being hurled, and fresh assaults were recently provoked by the ratification of the party's proposals by Sir Harold Wilson (in almost his last public appearance as Prime Minister).

Unfortunately the Press reaction to the report has been largely a fire-at-will operation, unco-ordinated in its timing and inconsistent in its direction. Some of the more innocuous, even rational, proposals of the report have received a savage peppering, while the targets that seem to me to sit up and beg to be shot at have mostly escaped with a few minor grazes. Four weeks ago I wrote about the increasing threat to cinemagoing in Britain from television—a threat that has been reinforced rather than dispelled by the working party's proposals—and since then I have received a copy of the Cinematograph Exhibitors Association's views on the working party report, which not only concur with the spirit of what I said then, but supply statistics to corroborate the letter.

Those who doubt that television is the major threat to the cinema industry in this country, and those who would offer no resistance to the proposed reduction of the ban on TV showing of feature films from five years to three years, would do well to consider these statistics. I quote from the CEA's document:

"A proper study of the market would be bound almost immediately to come to the conclusion that television itself has been the principal cause of the decline in cinema admissions. The date from which cinema admissions have continuously fallen is 1948 when admissions to cinemas were approximately 1,500m. per annum. In the eight years to 1956 they fell to 1,100m. admissions per annum. With the opening of commercial television the admissions fell more steeply and in the three years to 1959 the fall averaged about 15 per cent. per annum. From that point the decline became *more gentle and for the two* years to 1965 the rate of decline was down to appreciably under 3 per cent. per annum. However, that was the point (September 1964) at which the minimum age of films shown on television was reduced from 10 years to five years and a sharp increase in the rate of decline ensued, the three years to 1968 yielding a decline of nearly 9 per cent. per annum."

At the present time — with something like 1,000 feature films networked on TV each year — *television in this country functions* not just as an alternative entertainment to the cinema, but as a surrogate cinema in its own right. As the CEA's document points out elsewhere, every other major film-making country in the Western world has some kind of restriction—built in by design or accident — on the competitive power of TV as a showcase for films. America has the built-in repellent of commercial breaks: France and Italy have strict limits on the amount of viewing time that can be devoted to feature films. If such a policy were put into operation here, there would be instant cries of "restrictive practices." But unless some curb is placed on the ready and prolific accessibility of not-so-old feature films on TV—and some attempt made to make cinemagoing a more attractive option to the general public—we will soon be making even fewer films in Britain than we are now, and having even fewer cinemas to show them in.

Kurt Raab assessing a victim in 'Tenderness of the Wolves'

Thorndike, Leatherhead

The Lady from the Sea

by JEREMY KINGSTON

The late works of grand old playwrights are tempting, like giant eels, but tricky to land. View them askance and they shift before our eyes from marvels of the deep to pretty peculiar monsters. Particularly is this true of Ibsen when his plays contain at the same time profound insight into the nature of man and a compression of events dangerously akin to self-parody.

The Lady from the Sea exhibits in full the qualities that make a production worth trying and the difficulties that stand in the way of triumph. Ellida has allowed herself to marry the amiable Dr. Wangel to avoid the cross of spinsterhood. In so doing she has betrayed the mystic marriage celebrated many years before with a strange sailor possessed of hypnotic eyes. But the claims of the past cannot be thrust aside. On the same day that a young consumptive happens to mention he once encountered a strange sailor on a boat that same sailor happens to re-appear, in the darkly romantic person of Frank Barrie, to demand that Ellida shall join her life with his, with the roaring flood, with the wild sea.

There is of course a great deal more in this call than meets the ear. The sailor may be flesh and blood but he is a symbol as deep as the ocean. As deep as the mind, which has to be free to choose for itself not subject to economic pressures. Wangel gives Ellida the freedom to choose, whereupon she feels able to stay married to him. It is a happy ending since made hackneyed by 100 handy resolutions of Hollywood conflict, but that's not Ibsen's fault.

Ibsen has, however, surrounded this central situation with the sub-plots that so dutifully chime with it that it is frequently an effort to take the matter seriously. And the only way this play can work is by enabling an audience to take it, with all its moments of laughter, very seriously indeed. The greatest responsibility lies on "poor sick Ellida" who must neither be fey nor mad nor moony but truly possessed by the real and fancied claims of the past. Toby Robins presents the social arguments for freedom of choice with authority but the qualities of disorienting possession are not sufficiently prominent to bear the play up to its high poetic and necessary range.

Hazel Vincent Wallace takes the play at a cracking pace—the five acts lasted just over two hours—and I would have liked longer pauses between the rallies, more time to let things said penetrate the minds of those about to speak. Because everything is made to break surface so rapidly and so easily (partly Ibsen's fault) the currents within the Wangel household are more stated than shown.

In the part of Bolette, another ageing girl about to make a marriage of convenience, Irene Richard develops a tough, pre-occupied urgency as the talk turns to wifely obligations. Basil Hoskins plays Wangel as an attractive man in youthful middle-age, although his regularity of tone when being earnest could be varied now and then to advantage.

With its high flights of fancy, dread calls, counterplots and comic relief the play would make an excellent opera. But such thoughts come to mind because a different sort of music was insufficiently evident in this production.

Festival Hall

Fricker's Fifth

by RONALD CRICHTON

The BBC's main contribution to the Silver Jubilee concerts was to have been an all-English programme with Fricker, Elgar and Tippett, Colin Davis conducting the Symphony Orchestra. But Rostropovich has fallen victim to the indispositions which are plaguing concert givers, and instead Pierre Fournier came at short notice to play not Elgar but Dvorak, a concerto rich enough to enable a cellist no longer robust in tone or attack but as pensively silver-toned as ever, to make the experience rewarding.

Fricker's new, Fifth Symphony, a BBC commission for *the occasion, is a shortish three*-in-one movement work which made a generally agreeable impression of broad gestures and a more affirmative, smiling manner than has always been allowed to peep out from behind the soberly-dressed façade of this composer's music. I liked the long, celebratory tune in the first section development after the first of the two inset scherzos (balanced by a slow episode with cor anglais solo in the last section). There is an important part for the organ, played with great flourish by Gillian Weir. Except for the big flare-up at the very end, the most effective organ writing came in the quiet central section, where the instrument seemed particularly well suited to Fricker's cast of thought.

The Tippett work was *The Vision of St. Augustine*, a score neglected because of the fiendishly difficult part for solo baritone, of choral writing that *expects wide range (sopranos* winding their way above the stave not for loud climactic notes but soft, wandery melismata) and of course the usual Tippettian hazards in the orchestral parts — hazards which Colin Davis has the gift of turning into positive expressive virtues.

Difficulty is compounded by the choice of Latin as a language. Stravinsky using Latin for its monumental qualities is a different matter to Tippett, making urgent and complex communication often at a considerable pace and with a texture far less pellucid than Stravinsky's. Yet such is the urgency, so powerful and varied the composer's means of expressing it, that a coherent musical if not philosophic experience does result, and with it frequent, exhilarating bouts of the special Tippettian joy.

The start was nervous, with John Shirley-Quirk at first failing to detach his voice from the *chorus (in no time he was sing*ing splendidly throughout a part which hardly provides a moment of rest) and the chorus, male and female, sounding as though illumination had not been recently granted. But they too were soon buoyed up by the music and by Davis's all-conquering vitality.

Theatre Royal, Brighton

Tom Jones

by GILLIAN WIDDICOMBE

For his 18th opera, the 26-year-old British composer Stephen Oliver has concocted a sparkling, raunchy moral farce, roughly related to Fielding's *Tom Jones*. After preliminary performances on tour, it appeared as part of the Brighton Festival on Wednesday, *brightly and wittily* staged by Colin Graham with his new group, English Music Theatre. Oliver's 3-act score augurs well for the sort of work this reformed English Opera Group will be undertaking. The cast is two dozen-strong, young and varied; the orchestra is small, with plenty of percussion and wind but only seven strings. Predominantly a vocal score, with theatrical potential to the fore, it is obviously tailored to the EMT's resources. Since 1971, when the *Duchess of Malfi* revealed Oliver's rich, fluent operatic talent, he has not been idle, and some 13 short operas for small forces have intervened. However, *Tom Jones* is his first 3-act opera in professional production.

From Fielding's huge, intricate social comedy, only principal characters and the rake's plot line remain. The libretto (Oliver's own) is cast in swift, witty dialogue, deftly mixing period elegance with arse-and-tit business, the slick lewdness of which is wholly modern. Even Wednesday's first-night audience in the Theatre Royal laughed loudly and often; and I wondered more than once whether Oliver had been more inspired by that Richardson's funny film than by Fielding's explanatory pace and veiled, satiric tone.

At first it seems peculiar to co-opt wrangling deities and put the bastard Tom in mythological setting. In practice, it works well. Obviously Oliver wanted to *transpose the matter, if not the* letter, of Fielding's long introductory paragraphs, and the moral attitudes expressed by Squire Allworthy; so he extends the old device of personification. The gods not only preface the plot, they participate with relish; the plot is used as a game in which vice and virtue tussle while the gods meddle; and the lover is redeemed in *spite of his fall. Hence Tom*, Sophie and Blifil are more or less real, but they are surrounded by Jove playing Squire Allworthy, Venus as Jenny Jones, Juno as Lady Bellaston, Vulcan as Squire Western, and so on.

Oliver's comic and character writing is so polished that he can accommodate this confusion with fire-cracker concision; but he has skimped the real plot a little. For example, the opera ends too abruptly. One would need to have read the book recently, or seen the film again, to realise why Jenny allowed the pretence that she, not Allworthy's sister, was Tom's mother; and we are left in the dark as to who on earth was his father. Even odder is Oliver's change of Fielding's delectable conclusion. He throws away Sophie's careful yielding, and her agreement to marriage next morning under the ironic provocation of her father's bullying. Instead the little madam announces sharply "I'll not be forced. It is my choice now." A thoroughly modern implication.

Oliver's dramatic flair tends to overshadow his musical voice. This is largely because the opera contains a great deal of comic pastiche, and a light-hearted, slim accompaniment. Parodies abound. Vivaldi's string patterns open the prologue; Handel is mocked quite often; and in Tom's lyrical outpourings I suspect a little teasing of Britten's tenor writing. Parody apart, Oliver's most substantial writing is often the contrapuntal climaxes created by four or five concerted characters, or chorus, en tableau. But his most brilliant writing is undoubtedly the recitative, so bright and easy. This is an opera in which conversations, and even jokes, are sung without self-conscious vocalising. Sometimes they fall into plain speaking—Blifil's clumsy proposal, and all *subsequent* moments when a confidence or confession is stilted by embarrassment. Since much of the score is quick and busy, these well-timed lines steady the pace most effectively.

Oliver seems to have allowed musical characteristics to develop en route, rather than to have created a pre-set personal mode for each one. Tom's is of course the most expansive role, with flights of melismatic fancy; Jove / Allworthy is at first accompanied by a sententious double bassoon, but the gag is dropped before it wears thin. Sophie's part could be larger—but perhaps this is a deliberate ploy to keep her as the golden girl of the fairy tale—for all that she is caught reading *The Triumph of Love* in her bedroom. Blifil is a sour, mute fellow, slightly obscured by the interfering gods. Of these, Vulcan playing Western as an earthy gentleman is particularly amusing.

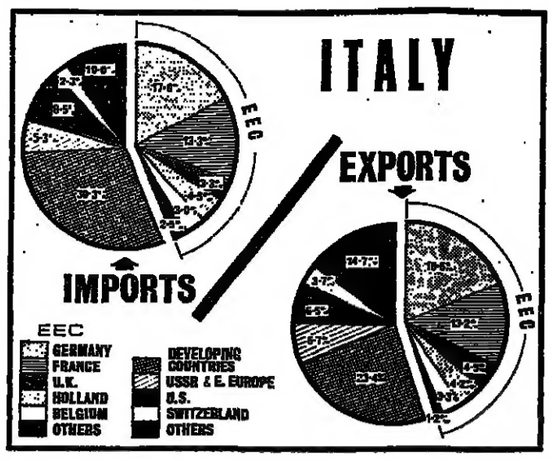
Colin Graham's production uses an ingenious structure of wood scaffolding and curtains, designed by Christopher Morley, which slides and shifts from scene to scene. Ann Curtis's period costumes are rich and fine. The two dozen characters are led by Nan Christie's pretty Sophie and Russell Smythe's vigourous Tom. Amusing cameos from Bryan Drake as Jove, Michael Follis as Vulcan, and Bernard Dickerson as Apollo. Steuart Bedford conducted the EMT orchestra briskly and pointedly. Good fights, sensitive lighting, an amusing, unpretentious evening.

THE FIGHT TO SAVE THE LIRA

Sweeping measures halt the slide

BY ANTHONY ROBINSON

ROME, May 6.



THE PRECIPITOUS decline of the lira halted to-day following the Italian authorities' decision to impose the toughest import and foreign currency control measures ever taken by a European Community country. At to-day's fixing the lira firmed to $889.80 against the dollar compared with Wednesday's all-time low of 915 lire.

The measures taken are far more sweeping than the import deposits scheme introduced in March, 1974, which subjected some 46 per cent. of Italian imports to a six-month, non-interest bearing deposit on 50 per cent. of the cost of imported goods. This lasted for 11 months.

The latest measures, which came into effect to-day, cover all imports, except wheat, and virtually all foreign currency transactions with a few specific exceptions.

Importers will henceforth have to deposit 50 per cent. of the cost of their imports in a non-interest bearing account at the Bank of Italy for three months. The same applies for most foreign currency financial and tourist transactions as well. The principal exceptions are for the transactions of agent banks and companies with specially authorised accounts such as the airlines and insurance companies. Italian tourists, already limited to an annual L500,000 (£310) allowance will also have to deposit the lira equivalent of 50 per cent. of their requested foreign currency requirements into the new account.

The all-embracing nature of the latest measures include imports of food, raw materials—including oil, and investment goods, all of which were excluded from the 1974 import deposit scheme. This means that even the oil companies will be obliged to deposit the cost of 50 per cent. of their imports into the account.

The overall aim of the new import deposit scheme is to reduce pressure on the lira, which has been devalued by some 30 per cent. against the dollar since the authorities temporarily closed the official foreign exchange market on January 20. The dollar/lire rate was then 686 lire compared with this Wednesday's fixing of 916 lire.

This should be achieved in the following ways:—

In the first instance, imports will be made more expensive. The prime rate is currently around 18 per cent. Financing the 50 per cent. deposit for three months is likely to add some 2.5 per cent. per quarter in lost interest. Secondly, the deposits will drain an estimated Lire 4,000bn. of domestic liquidity on an annual basis. This in turn is expected to further raise domestic interest rates.

At the same time, importers not wishing to lose their Italian market are expected, as happened during the last import deposit scheme, to partially finance the deposits. This should bring in foreign currency. At the same time the new measures should also be an encouragement for the repatriation of part of the funds previously exported, often on an illegal basis.

To encourage the repatriation of capital, the authorities are believed to be looking at further measures. One believed to be under study is the constitution of some form of *Franco Valuta* system under which exporters would be able to pay for their own imports from their export receipts. A system of this kind was in operation im- World War.

Such an operation would be facilitated by a further rise in domestic interest rates. But the key to repatriation is confidence that the sharp decline of the lira is now over, so reducing the possibility of further exchange rate gains. The continuing decline of the lira up to now has indeed been largely self-feeding, as holders of foreign currency have held on to it as long as possible. The terms for conversion of foreign currency into lire by exporters has been recently and the permissible time lag is expected to be further reduced shortly from the 120 days now allowed.

In Brussels, regret mixed with resignation

BY ROBIN REEVES AND GUY DE JONQUIERES

BRUSSELS, May 6

THE Italian measures, which were explained in detail to a meeting of the permanent representatives of the Nine *here this morning, have been* greeted in Brussels with a mixture of regret and resignation.

But it is also generally recognised that the Italian economic crisis has deteriorated to such a point that nothing short of the most stringent surgery stands a chance of redressing the situation, all the more so in view of the limited range of purely domestic options open to the Italian Government in advance of next month's elections.

As far as the European Commission is concerned, whatever misgivings it may harbour about the blow dealt by the Italian measures to the principles of free trade have been assuaged by gratification at the opportunity it has had to reassert itself in critical circumstances.

By choosing to consult the Commission in advance and to wine Community sanction for its actions, Italy has also undoubtedly avoided some of the confusion and disruption which ensued two years ago, when it imposed emergency import measures. At that time, it invoked the provision for unilateral action contained in Article 109 of the Treaty, rather than Article 108, which requires Commission approval.

In addition to the provision empowering the Commission to amend or repeal the package before it is due to expire on August 6, the Council of Ministers is authorised by the Treaty to impose changes of its own. But pressures for any immediate action on this front will be tempered by the imminence of the Italian elections.

The Italian measures pose yet another threat to the Community's one full-blooded common policy (apart from the customs union), namely the Common Agricultural Policy.

Indeed, in the Commission's statement of blessing on the move, "agricultural products coming under a common organisation of the market" are singled out for special mention as an area where some wafering down of Italian measures may be required.

Two years ago, the Commission with the active support of other EEC members, insisted on exempting most farm products from Italy's import deposit scheme. The free trade conditions created by the CAP have led France and West Germany to develop major markets for cereals, dairy products and meat in Italy.

Ireland ships substantial numbers of calves to Italy for fattening and the Benelux countries and Denmark have also developed a good market there for pigmeat.

On the last occasion, the Italian Government was persuaded to drop very quickly the import deposit requirement for all products save beef, and other member Governments pledged themselves in the interim not to take retaliatory action. (France at one stage threatened to fund the deposit on its farm exports from official resources). Even the deposit requirement for beef was reduced under EEC pressure from 50 per cent. to 25 per cent. and phased out altogether after three months whereas for industrial trade, the scheme lasted six months.

This time, only wheat is specifically exempted from the deposit requirement and Italy's position is far graver. It is easy to imagine intra-EEC farm trade being distorted—to the point where other member States feel obliged to act to prevent their own agricultural markets being undermined by farm produce discouraged or effectively prevented from entering Italy.

In such circumstances the CAP would be truly off the rails. It would spell the end of the common organisation of agricultural markets.

In recent years and particularly recent months, the rest of the Community's exports have been sustained by the EEC's monetary compensatory payments system for offsetting the effects of currency fluctuations on intra-EEC farm trade. As the lira has sunk even lower, Brussels has paid increasingly bigger subsidies on farm products crossing the border into Italy in order to try to prevent trade distortion.

Equally, Italian exports have subject to compensatory border taxes in order to try to prevent Italian produce undermining the common EEC prices, guaranteed to farmers in strong currency member countries.

Now the Community is in the absurd position of both trying to maintain this trade through monetary compensatory subsidies while at the same time blessing measures designed to curb the same imports. It is not surprising therefore that some hope was expresed here to-day that the Italian Government may be prepared, or even want, to amend the deposit scheme as it affects food imports in the near future.

The difficulties it creates are bound to be discussed at the next meeting of the Council of Agricultural Ministers in Brussels, a week on Monday. Indeed, by then, the scheme could well be already making its impact.

On the other hand, Sig. Giovanni Marcora, Italy's tough Farm Minister, could insist on keeping things as they are. Although his Government bowed to Community pressure to exempt Community product two years ago, that was before the French Government blatantly ignored EEC rules and imposed a tariff on Italian wine for a period lasting the best part of seven months.

How Italy's partners in Europe are affected . . .

United Kingdom

Most British compaines which export to Italy are unlikely to be seriously affected by the Italian Government's decision to introduce import curbs, according to sources in Whitehall and in industry, writes Lorne Barling.

Their assumptions are based on the experience of similar measures taken by Italy almost two years ago, when importers were obliged to deposit 50 per cent. of the value of goods. Although those regulations covered a smaller range of goods, they were imposed for a period of nearly 10 months, compared with the three months now proposed.

U.K. TRADE WITH ITALY 1975

Principal exports	£m.
Machinery (other than electric)	152
Electrical machinery, appliances	41
Transport equipment	47
Textile fibres	21
Medicinal and pharmaceutical	19
Non-ferrous metals	23
Instruments and similar goods	19
Total exports £562.2m.	
Total imports £809.6m.	

The Confederation of British Industry pointed out yesterday that Italy represented less than 10 per cent. of U.K. export volume to EEC countries and slightly more than 3 per cent. of total world exports.

Nevertheless, it was certain to hit some companies more seriously than others and would probably slow the pace of exports if not actually reduce them.

Britain's trade balance with Italy was in deficit to the extent of about £246m. last year, with the U.K.'s exports worth £563m.

The major exports to Italy last year were machinery and transport equipment, which amounted to £240m., while a high proportion of imports from Italy is made up by agricultural produce and unfinished goods.

It is likely that under the difficult circumstances for Italian importers, they will seek assistance from U.K. companies, such as extended credit. There was also evidence in the previous period of restriction of some evasion of deposits.

Deposits were not required for consignments of goods valued at less than L1m. and it is understood that larger orders were sometimes broken down into less valuable lots for shipment.

Although the new measures, which exclude only grain, are likely to have some effect on invisible exports for the first time, trade officials believe that the favourable sterling-lira exchange rate will compensate to a large extent.

The U.K.'s overall trading position with Italy has deteriorated considerably in recent years, with the deficit of £69.2m. in 1972 rising to £120m. in 1973 and £213.5m. in 1974. However, in the first quarter of this year exports were up by 50 per cent. on value with the deficit running at much the same as last year.

The U.K.'s share of Italian imports also declined from 6.3 per cent. in 1970 to 5.6 per cent. in 1974, although imports from all sources generally declined as a result of the increase in oil prices.

Nevertheless, U.K. trading relations with Italy have long been sound and the present situation is unlikely to alter that pattern, trade officials stressed.

Germany

The West German government appeared to-day to accept, reluctantly, the reasons behind Italy's import control scheme. In the absence of an official reaction, Herr Hans Apel, the German Finance Minister, made clear that he saw the Italian action essentially as a measure to protect a desperate external payments situation, rather tha nas a piece of trade discrimination.

Herr Apel added that he expected the Italian authorities to make use of the three month delay "to take additional domestic economic measures of their own in order to stabilise the balance of payments." His remarks are likely to be taken as an oblique warning of the conditions that Bonn might set on any further direct financial assistance to Rome.

In the meantime, German exporters to Italy seem likely to feel the Italian measures as an additional obstacle at a moment when their sales to the European Community as a whole are only just beginning to pick up. Last year, Italy was West Germany's fourth most important customer, taking DM18.1bn. worth (£3.5bn.) of exports from the Federal Republic.

Among the most important product groups were meat, dairy products, coal, scrap iron, synthetics, chemicals, machine tools electrical equipment and motor vehicles. The German farmers' association was quick to-day to protest against the Italian action. But some other major exporters have already been at least half-way prepared for some form of reaction by Rome to a sharply deteriorating economic situation.

German motor manufacturers, for one, have taken the plunging value of the lira against the D-mark as an indication that they would have had an extremely difficult time selling cars to Italians this year even without the import controls.

France

French industry has reacted with extreme concern to the latest threat of Italian import controls—even though it is recognised on all sides here that the collapse of the lira had made some form of drastic action inevitable, writes Rupert Cornwell from Paris.

The measures announced overnight in Rome are bound to hit the French especially hard. Italy is already France's third biggest trading outlet and alongside Britain and Switzerland is a country where France achieves a trading surplus in Europe.

Although the deep Italian recession helped cut the imbalance in 1975, France's exports of Frs.21.6bn. (£2.4bn.) exceeded imports by Frs.1.3bn. (£150m.). The faster economic recovery here will almost certainly have eroded the margin still further in the early months of this year.

The sectors likely to be affected are above all foodstuffs (particularly cereals and meat exports, which account for almost a quarter of total French sales to Italy, and semi-finished and consumer goods.

In a sense, of course, the restrictions ought to help France to the extent that they push up the lira and cut the enormous advantage given Italian competitors since the currency's slide began in January. The problem is particularly acute in third-country markets. However, the patience of French industry with Italy has now worn very thin and the troubles of the wine and shoe industries here in particular will not help them take a detached view.

Already the Patronat—France's equivalent of the CBI—has tabled its extreme discontent, both in Brussels and in Paris, at the strains imposed by the plummeting lira on EEC trade. Patronat officials have now drawn up detailed demands for stronger action still, including compensatory border taxes on excessively cheap Italian manufactured goods, similar to the scheme contained in the Common Agricultural Policy.

Holland

THE Dutch economics Ministry voiced its regret at the measures but added that they were considered unavoidable to ease the Lira problems, writes Michael Van Os.

Italy is only a relatively minor trading partner of Holland. Last year, Italy took about Gldrs4.5bn. (£900m.) or some 5 per cent. of Dutch exports, of which Gldrs.2.8m. was in the industrial sector—mainly chemical products and machines—and Gldrs.1.6bn. in agricultural sectors. A spokesman for the foreign trade organisation covering Dutch business and industry expressed "concern" at the situation and said it was having talks on the Italian measures with the economics Ministry tomorrow.

A spokesman for the chemical industry association said it was too early to gauge the impact of the measures. He did not feel it would substantially affect Dutch sales. A spokesman for the meat and cattle exporters, for whom the Italian market is fairly important, expressed some concern, however, that there could be some pressure on EEC meat prices as a result.

Denmark

DANISH agriculture will suffer severely from the Italian import deposit scheme, said officials of farmers' organisations here. Danish exports to Italy last year totalled Kr.2.4bn. (£216m.). Agricultural exports accounted for about Kr.2bn. of the total including exports of veal worth Kr.1.2bn.

With Market Minister Ivar Noergaard in Nairobi, there was little reaction from the Danish Government to the Italian measures, but Minister of Agriculture Poul Dalsager said the matter would be discussed by the Cabinet Market Affairs Committee. He could not say whether the government was likely to lodge a protest.

Mr. Arne Pilegaard-Larsen, President of the Agricultural Council, said that exports would be reduced to a minimum as long as the scheme lasted. He expressed the fear that the Italian restrictions could in the longer run make it necessary for the farmers to cut back veal production. Officials of the Meat Exporters Association met the Minister of Agriculture to-day and said afterwards that they would ask for improved export credit facilities.

Ireland

Exports from Ireland to Italy will be "rudely arrested" by the Italian import deposit scheme, the Irish Export Board said in Dublin last night, writes our own correspondent.

Last year the Republic's exports to Italy were worth £40m., compared with only £17m. in 1974, when the Italians operated their previous import deposit scheme. The growth in Irish exports to Italy continued in the first three months of this year when they showed a 60 per cent expansion over the same period last year.

Particularly affected will be exports of Irish beef, which accounted for £11m. worth of last year's total exports to Italy. Already this year the overall exports of Irish beef are down 36 per cent. compared with last year.

The Italian action will strengthen demand for similar import restrictions in the Republic to protect industries suffering under progressive free trade from the Anglo-Irish agreement and EEC measures. Last year 27,000 jobs were lost in manufacturing industry in Ireland to contribute to the total of 120,000 now unemployed there.

Belgium

Belgium's trade with Italy is modest, writes David Curry from Brussels. Last year the Belgium-Luxembourg union sold some B.Frs.42.5bn. of goods to Italy, overwhelmingly capital goods, metal products and chemicals, while its imports amounted to just short of B.Frs.44bn.

Its sales to Italy account for only 4 per cent. of its exports to the Common Market and only Denmark and Ireland offer smaller markets. By comparison over the same period Belgian exports to Germany were worth some B.Frs.235bn.

From the Belgian point of view, Germany, France and Holland are the crucial markets

French set up accident enquiry

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A DETAILED study of the measures required in handling major accidents to wide-bodied jet airliners is being undertaken by the French Government, following the Turkish Airlines DC-10 accident near Ermenonville on March 3, 1974, when 346 passengers and crew were killed.

This is revealed in the official accident report by the French Commission of Inquiry, which is now published in this country for the first time.

The report confirms the earlier statements that the accident to the DC-10 was caused by the aft cargo door coming open in flight, resulting in sudden depressurisation, disruption of the floor and impairment of flight controls.

Plans to prevent a repetition of this type of accident, by strengthening the floors of wide-bodied jets, installing special venting systems to prevent sudden depressurisation, and improving the DC-10's own cargo door latching mechanism, have already been announced.

The translation of the Commission of Inquiry's report, however, confirms also that it expressed concern about the availability of medical facilities to cope with such major accidents. "It became apparent," it says, "that the Institut Medico-Legal de Paris, and the Paris hospitals did not have facilities on a scale related to this type of situation."

The Commission accordingly has recommended that a study should be made of the measures needed to take account of the new problems raised by the large capacity of modern wide-bodied aircraft.

Irish base for new EEC body

BY OUR OWN CORRESPONDENT

DUBLIN, May 6.

A NEW EEC institution to deal with living and working conditions in the European Community was formally launched in Dublin to-day. Its permanent headquarters are to be located in the Irish Republic.

The European Foundation for Living and Working Conditions is the first EEC body to be based in Ireland. It will have a staff of around 30 initially and a budget of £500,000, for 1976. The establishment of the Foundation was first advocated by President Pompidou in July, 1972. The Council of Ministers later agreed that there should be a European Institute for the Environment.

The Foundation's administrative board which began a two-day inaugural meeting here to-day has 30 members — three from the Commission and three nominated by the Nine Governments—as well as employer organisations and trade unions in the member states.

OTHER EUROPEAN NEWS

King Carlos meets opposition leader

BY ROGER MATTHEWS

MADRID, May 6.

KING JUAN CARLOS took an important political decision here last night when he spent well over an hour talking to a leading member of the Spanish Opposition who only a few days ago described Prime Minister Carlos Aria as "a confirmed anti-democrat."

Senor Jose Maria Gil-Robles, president of the FPD a centre Christian democrat party, is understood to have told the king bluntly that the present plans of the Government to introduce political reforms were totally unacceptable to the opposition parties.

W. German printers

By Adrian Dicks

GERMAN printers resumed their wage strike today, making it certain that few, if any, newspapers or periodicals will appear tomorrow. The union's call for a renewed "total strike" followed the narrow failure last night of a mediation effort that would have given the 145,000 workers in the printing industry an appreciably higher pay

Helmut Schmidt

Bonn Chancellor evokes a sharp response in Paris

BY ROBERT MAUTHNER

PARIS, May 6.

FRANCO-GERMAN relations are once again going through a difficult phase following certain references to the political situation in France made by Herr Helmut Schmidt, the West German Chancellor, to which the French have taken exception.

Somewhat belatedly, the French Press and public have had their attention drawn to an interview given by Herr Schmidt to Bavarian television on April 15, which provoked an immediate, if at the time unpublicised, protest by the French Ambassador in Bonn, M. Olivier Wormser.

Herr Schmidt expressed the opinion that in countries governed for a long time by Social Democratic Governments, such as Sweden, West Germany and Austria, there was social progress and Communist parties remained small. On the other hand, large Communist parties existed in countries where social structures had not evolved for many years, such as Portugal, Italy and, so a certain extent, France, "where Gaullism had left its imprint," he said.

A few weeks later, Herr Schmidt made another statement, this time in an interview with the American new, magazine Time, which upset the French Government, or at least its most prominent Gaullist members. "I would not like to see the Communist Party participate in the Government in Paris, Rome or elsewhere," the West German Chancellor said. "But on the other hand, I do not think that this would necessarily be a catastrophe." Neither Europe, nor the Atlantic Alliance, had collapsed because there had been Communist Ministers in Iceland and Portugal, he added.

Questioned in the National Assembly on the subject, M. Jacques Chirac, President Giscard d'Estaing's Gaullist Prime Minister, reacted sharply to what the French obviously considered to be interference in their domestic affairs. Recalling with nostalgia the epoch of Franco-German friendship of which Dr. Adenauer and General de Gaulle were the great architects, M. Chirac said the French Government had been "astonished" at Herr Schmidt's "rash statements."

Significantly, President Giscard's reaction has been much more muted than that of his Prime Minister. M. Chirac, as the mouthpiece not only of the Government but of the Gaullist party, is obliged to take account of the extreme sensitivity of his troops to any real or implied slight or, for that matter, to suggestions from abroad that a victory of the Left in France would be anything less than disastrous.

On the other hand, all the President's office would say on the question was that, while it was natural that the Prime Minister should reply to public criticisms of France, the incident did not in any way affect Franco-German co-operation, which was "the indispensable basis" of all progress in Europe.

Valery Giscard d'Estaing

Be that as it may, there has been indications recently that relations between President Giscard and Herr Schmidt, who speak on the phone to each other regularly in English, are not quite as close as they once were. The rejection earlier this year by Herr Schmidt of the French President's proposals for a European "directorate," the withdrawal of the French franc from the European currency "snake" and a number of recent remarks by President Giscard stressing the need for France to match West Germany's economic and military strength, have all contributed to a cooler climate.

Quick agreement unlikely on EEC nuclear site

BY DAVID CURRY

BRUSSELS, May 6.

IT IS NOW looking increasingly unlikely that EEC ministers will be able to reach agreement before autumn on where to site the Community's jet reactor for its vital nuclear fusion research.

Although a research ministers meeting is scheduled for the middle of June, the divergence of views on where to build the experimental equipment is so wide that there is little chance of agreement. The crucial argument is whether to follow a working party's preference for one of the Community's own research establishments at Ispra in Italy, or whether to opt for a national centre like Culham in the U.K.

Bundesbank move 'to reduce liquidity'

The two-stage minimum reserve requirement boost decided on Tuesday is designed to reduce excess liquidity without endangering Germany's economic upswing, Bundesbank president Karl Klasen said in Dusseldorf, Reuter reports.

The planned soaking up of DM4bn. from the banking system after recent large currency inflows should not lead to any rise in interest rates, he told a meeting of the German Savings Association. Such a rise would be justified neither by the anticipated 5 per cent. inflation rate in Germany this year, nor by the likelihood of increased borrowing on the capital market later on, he added.

EEC grants for structural projects

Grants totalling 104.6m. units of account were authorised by the European Commission for structural improvements in eight of the nine member countries, the Commission reported yesterday.

The largest portion of allocation from the agricultu fund went to Italy, which recei 31.044m. UA (L19.4bn.) for individual projects. France awarded a total of 19.78m. UA, Frs.109.88m. for 29 projects. W Germany received 13.87m. (DM69.089m.) for 72 projects.

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WORLD TRADE NEWS

Prof. Mario Henrique Simonsen (left), the Brazilian Minister of Finance, and Sir Reginald Verdon-Smith, chairman of Lloyds Bank International, sign an agreement for a £20m. line of credit for the purchase of U.K. goods.

Brazil wants more from Britain

BY HUGH O'SHAUGHNESSY

GENERAL ERNESTO GEISEL, the Brazilian President, yesterday delivered a tough warning that Britain would have to buy more from and invest more in Brazil if it wanted any major development contracts.

As various major trade deals were under intensive discussion the Brazilian leader issued his warning at a Press conference in London—apart from one last week in Paris, the only Press conference he has given during his whole two years in office.

Earlier a group of 17 bankers headed by Sir Gordon Richardson, Governor of the Bank of England, and a group of industrialists including senior representatives of Shell, ICI, GKN, British Rail and BAT, waited on Gen. Geisel at Buckingham Palace on the penultimate day of his state visit to Britain.

As the visit draws to its close to-day, Morgan Grenfell and Davy United are deep in negotiation over the $1.2bn. Açominas steel project.

British Rail is also having top level talks on Brazil's big new rail plans while Redpath Dorman Long, the BSC subsidiary, and Laing may to-day announce new moves in the sale of British offshore oil platform technology.

The whole range of talks are complicated by banking attitudes to Brazil's foreign debt, now well over $22bn., and the cost of servicing it. While many banks feel they are close to the limits of their exposure in Brazil and have misgivings about Brazil's ability to finance its debt servicing and its extremely ambitious new plans out of further international borrowing, the Brazilians are pressing for more injections of capital and greater facilities for their exports.

A similar tough line was adopted by Gen. Geisel on political questions. At his Press conference he indicated that he would be replying to letters addressed to him by an all-party Parliamentary group on human rights and by Dom Basil Hume, Roman Catholic Archbishop of Westminster, but would allow no delegations to investigate the human rights situation on the spot. On Wednesday Archbishop Hume expressed his "sorrow and distress at the violation of fundamental human rights and civil liberties" in Brazil.

Gen. Geisel also added that his visits to France and Britain would not have any effect on the course of domestic politics in Brazil. He expressed no surprise at the continuing picketing his visit occasioned.

Sr. Antonio Francisco Azeredo da Silveira, the Brazilian foreign minister, gave a categorical assurance that Brazil had not raised in London the question of naval co-operation with South Africa in the South Atlantic and that his country had no plans whatsoever for co-operation with the South African navy. His remarks went counter to reports from other highly placed Brazilian sources that Brazil was interested in some limited co-operation with the South African navy for the surveillance of Soviet activity in the area. Brazil has the largest navy in the South Atlantic, many times more powerful than the South African fleet.

Turkish deficit down 43%

BY METIN MUNIR

ANKARA, May 6.

TURKEY'S CURRENT account position, which deteriorated severely last year, is showing signs of improvement with the gap between imports and exports narrowing, official statistics released here to-day showed.

Exports in the first quarter of this year totalled $780m., up by nearly 120 per cent. over the comparable period of the previous year. Imports in the same period grew by just over 6 per cent. to $1.25bn. This compares favourably with the increase in the first quarter of 1975 which was 62 per cent. up on 1974. The first quarter deficit this year was $468m., down 43 per cent. from last year.

The significant upsurge in exports was due to the record increase in shipments of agricultural products which traditionally account for most of Turkey's exports. Exports of nine major commodities shot up by an average 180 per cent. compared with the first quarter of 1975 to $520m.

The relative slow down in imports reflects Government policy to economise on hard currency reserves rather than a drop in demand. Last year's record current account deficit of $3.34m. coupled with a drop in expatriate workers' remittances has drained reserves and led to heavy borrowing abroad.

Between May 1975 and March 1976 Turkish banks borrowed $1.213bn. in short term loans on the Euro-dollar market

Americans drink less Scotch

Financial Times Reporter

EXPORTS OF Scotch whisky to the U.S. in the first quarter of 1976 were down 5 per cent. in volume to 7.5m. gallons. But the value rose 18.6 per cent. to £32.75m.

At the same time it seems that consumption of Scotch in the U.S., as measured by withdrawals from bond, also declined by 5 per cent. in the first quarter compared with the same period of 1975. They were down to 10.56m. U.S. tax gallons.

Scotch is facing increasingly fierce competition from Canadian whisky in the U.S., as the tax payment figures show. Canadian brands showed a 22 per cent. rise over the three months to 9.2m. tax gallons.

On the Scotch export front, there was some recovery in the month of March after two bad months for the industry. And, as an indication of returning prosperity in the U.S., exports of the higher-priced bottled-in-Scotland Scotches actually showed an increase—of 8 per cent. in volume—during the January-March period.

Japan remained the major growth market for Scotch in the first three months. Exports were up 44 per cent. in volume to 2.6m. gallons and 38.6 per cent. in value to £9.4m.

There was also an unexpected surge in exports to Italy. These increased by 95 per cent. in volume and 112 per cent. in value to 1m. gallons worth £5.3m. over the three-month period.

Bulmers eyes U.S. market

By Kenneth Gooding

BULMERS, THE Hereford business which claims to be "the world's biggest cider maker," plans a major development of overseas sales particularly in North America.

The Federal tax barrier which previously blocked the development of cider sales in the U.S. has been lowered and Mr. Brian Nelson, managing director, commented: "This means we can move competitively into the American drinks market."

Mr. Ray Perks, new International Director of Sales and Marketing, has been concentrating on research and test marketing in a number of overseas markets in recent months. He says: "The opportunities, particularly in America and Canada are enormous. All the tests indicate that the North American markets will respond well to the blends of cider that we make and we are ready to make a major investment in establishing our brands."

HANOVER AIR SHOW

A time for reappraisal

BY GUY HAWTIN, FRANKFURT CORRESPONDENT

THE BIG international airshow provides yet another of those yardsticks by which politicians judge the standing of national prestige. Nowhere more so than in Western Europe, where the Paris show vies with Farnborough and Hanover competes with them both.

But what of the businessman who ultimately has to underwrite the cost? How effective are the international air shows as a sales tool? A straw poll at the Hanover Show, which opened on May 1 and runs to May 9, produced a mixed response. It is unfortunate, perhaps, that Hanover clashes with Farnborough, to be held later this year, but the Germans have little choice in the matter as the only alternative is to clash with the "queen" of them all—the Paris Air Show.

It was for this reason, perhaps, that representation by the American majors at Hanover was disappointingly thin. Both Lockheed and Boeing were conspicuous by their absence. Even the British met criticism for producing only a relatively small number of exhibitors.

No Jumbos

As it was, the largest aircraft on view was the A 300 airbus—there was not a Jumbo or a Tristar in sight. British Airways did a hard sell to the Press on the Concorde, but of the aircraft itself, there was not a decibel in earshot. Admittedly, the Air France Concorde had visited Frankfurt and Hanover a week earlier.

The large international airshow, therefore, is being subject to an appraisal similar to that experienced by the large general international trade fairs. Is a large international show a reasonable place, after all, to drum up sales for either military aircraft or commercial aircraft which can cost upwards of £5m. each.

However, one British exhibitor in the aircraft component sector gave the other view. His concern's participation in the Hanover show had been very much a matter of "touch and go." It had been decided to participate because it was a good way of keeping in touch with customers already on the books, but, he pointed out, "just one new customer can make it pay handsomely."

Hanover, of course, is the international showcase for the West German aerospace industry—which is about a quarter of the size of that of Britain. Its turnover in 1974, including non-aerospace sales totalled close on DM4.6bn.—about £995m. converted at to-day's exchange rates. The 1974 figures, which are the latest available for the industry as a whole, were 11.2 per cent. up on 1973's DM4.1bn.

While the West German industry may be small compared with that of France or Britain, its policy of international co-operation has given it considerably more influence than its size would at first suggest. It participates in the major European programmes—the Tornado (the European multi-role combat aircraft), the Alpha-Jet trainer and close air support aircraft and the A300 Airbus—as well as its own projects.

The message both from the industry and the Federal Government is further co-operation. The report on the industry recently produced by Herr Martin Gruener, junior minister at the Ministry of Economics, emphasises that while co-operation in Europe is seen as vital for the industry, there is also plenty of room for co-operation with U.S. manufacturers. Germany, however, does not just see itself as a sub-contractor. It wants participation with the Americans, both in the civil and military field on an equal partnership basis.

The fruits of co-operation were plainly visible at Hanover. Dornier, which has something of a reputation for going it alone, holding back from the civil aviation area and diversifying outside the industry, made great play of the Alpha Jet, which it has developed jointly with its French partner, Dassault-Breguet.

Messerschmitt-Boelkow-Blohm and VFW-Fokker devoted important displays to their participation in the European Airbus. MBB, which plays a major role in the Tornado MRCA programme, was also forecasting that similar co-operative efforts would develop among European helicopter manufacturers.

Slow sales

VFW-Fokker, West Germany's main air transport builder, was showing its VFW 614. Sales of the curious-looking 44-seat civil airliner, whose two engines are placed above the wings rather than underneath, are reported by some observers to be slow.

However, VFW have so far sold 16 of the aircraft and is tendering for a 41 aircraft order from the U.S. coast guard. Whether the concern lands the order in the face of the U.S. government's "Buy American" policy remains to be seen.

The group is planning to produce initially 24 aircraft a year and it must sell about 250 over the next ten years to show a profit. VFW emphasises that this is not the type of aircraft that is normally ordered in large quantities. Prospective purchasers are mainly the smaller airlines, including those in developing countries, which usually order in two's and three's. Observers in the industry expect the aircraft to go well. One said: "it is the natural successor to the DC3."

France signs pacts with Poland

By Rupert Cornwell

PARIS, May 6.

MAJOR FRENCH companies and a number of Polish foreign trade agencies to-day signed 16 specific industrial co-operation agreements aimed at boosting trade between the two nations.

The ceremony, presided by French Foreign Trade Minister M. Raymond Barre and his Polish counterpart Mr. Olszenki, capped an official visit here by the Polish Premier Mr. Piotr Jaroszewicz in which he went out of his way to stress the importance of economic links between the Common Market countries and the Comecon bloc.

The most striking feature in the agreements is the provision for a major French share—estimated here at Frs.1.8bn. (£210m.) of a total Frs.2.5bn. (£280m.)—in a project for a fertiliser and ammonia complex in Poland, for which construction work will be co-ordinated by the engineering group Creusot-Loire.

Among the smaller protocols are ones involving Pechiney-Ugine-Kuhlmann, the chemical group, and the telephone company CIT-Alcatel. Finance arrangements for several of these schemes involve the Banque Nationale de Paris, while the engineering concern Technip and the Polish foreign trade company Polimex-Cekop have set up, with BNP, a trading company to encourage Franco-Polish economic co-operation.

These impressive sounding agreements will, however—if they are to be successful—have to take full account of Poland's grave anxiety over its widening trade deficit with France. Although trade between the two countries has multiplied five-fold since the 1960s, Poland ran a deficit of Frs.1.2bn. (£140m.) last year.

Indo-British co-operation

BY K. K. SHARMA

NEW DELHI, May 6.

INDIA AND BRITAIN are likely to co-operate in setting up joint venture projects in third countries. This is an outcome of the four-day meeting of the Indo-British joint economic committee held in London last month, it is learnt here.

The arrangements envisage supply of machinery and equipment, technical know-how and manpower. The meeting considered that the international standing of British enterprises combined with Indian technology and manpower would help in winning major turnkey projects abroad. In other cases, where Britain wins a contract and there is scope for India to come in and contribute either with equipment or manpower, India might be given a subcontract.

It was also decided that the Indian Commerce Minister, Mr. Devipresad Chattopadhaya, will visit London some time in June to discuss prospects for widening the area of co-operation between the two countries. One example in this connection is manufacture of castings and forgings involving high technology. British assistance is likely to be forthcoming in such areas.

AMERICAN NEWS

Food and fuel prices push wholesale index up by 0.8%

BY JUREK MARTIN, U.S. EDITOR WASHINGTON, May 6.

AMERICAN wholesale prices jumped by 0.8 per cent. last month, underlining the widespread belief that the very low rate of inflation in the first quarter of the year was not sustainable.

The increase was almost entirely attributable to the sharp rise in prices of food and fuels, precisely those component parts of the index whose low prices had kept the calculation stable for the five months between November and March.

The farm products index climbed by a seasonally adjusted 4.2 per cent. in April, following declines amounting to 5.8 per cent. in the first quarter of the year. This is the largest single monthly increase in farm products since May of 1975.

The prices of livestock and eggs were the principal factors, with green coffee prices also rising much more sharply last month than in March. The processed food and feeds index climbed by 1.9 per cent. in April, the second consecutive monthly increase and the largest single monthly advance of this measurement since November 1974.

The index for crude materials (excluding foods, feeds and fibres) went up by 2.6 per cent., seasonally adjusted, largely due to more expensive crude oil, natural gas, scrap metals and wastepaper.

Industrial commodities as a whole, however, rose by a more modest 0.3 per cent. last month. Previously, with food and fuel prices weak, industrial commodities had shown the most persistent inflationary trends, but the situation in April was reversed, with higher metals, paper and chemicals prices being partially offset by cheaper lumber and wood and very small increases in the hides, skins, leather, textile and apparel sectors.

Control Data made $2m. payments

MINNEAPOLIS, May 5.

CONTROL DATA corporation paid more than $2m. to "greatly underpaid" government employees in foreign countries, the company revealed to-day to shareholders attending its annual meeting.

Control Data also said that an investigation into the questionable payments is being broadened

Company chairman Mr. William Norris said that the foreign payments, totalling $2.27m., went to "greatly underpaid Government employees who regularly supplement their income by accepting payments for approving Government contracts."

The payments "benefit no one but the host Government employees and certainly aren't enjoyed by the local corporate management, which is forced to pay in order to pursue legitimate business . . ."

UPI

Treasury says that car dumping inquiry would hit importers

BY DAVID BELL WASHINGTON, May 6.

IN DECIDING to drop its formal car dumping investigation yesterday, the U.S. Treasury was particularly influenced by the argument that to have pressed ahead with it might have badly damaged foreign importers with extensive dealer networks in the United States.

This emerged to-day in discussions with Treasury officials who made it clear that they were particularly concerned about the effect that a continuing investigation might have had on Volkswagen, which has a major investment in America. Under U.S. law, companies suspected of dumping would have come under "withholding appraisement" as from May 11.

The result of this would have been that, even though the companies had been found "guilty" of dumping, they would thereafter face a large contingent liability which would arise if they were found to be guilty at a later stage. A Treasury finding that there was a formal dumping case to answer would have been referred to the U.S. International Trade Commission which would then have investigated whether this had harmed the domestic U.S. car industry.

Mr. David MacDonald, as Assistant Treasury Secretary, said that some major importers would effectively have had to stop importing while this was going on, which would have badly harmed their business and would have "found them guilty before there had even been a trial."

The Treasury, which was also influenced by Volkswagen's decision to build a plant in the U.S., therefore decided to drop the formal inquiry but to substitute what amounts to its own dumping order, and it still intends to press Volkswagen and other companies to adjust their prices to reduce the margin between home and U.S. prices.

In its announcement yesterday, the Treasury said that some 24 companies had been dumping their cars in the U.S., but that many of them had significantly narrowed the difference between the U.S. and home prices. Further, the statement said, the Treasury recognised the difficulties of making valid comparisons between car prices because of the impact of floating exchange rates and other factors.

Our New York Staff adds: U.S. sales of imported foreign cars fell sharply during April in distinct contrast with the continuing strong upturn in demand during the same period for domestically made vehicles. With monthly deliveries falling 11 per cent. to 126,000 cars, importers share of the total U.S. market fell to 13.8 per cent. from 21.5 per cent. last year.

The relative weakness in foreign car sales in the U.S. first became apparent in the autumn of last year at about the same time that sales of larger U.S. made cars started moving strongly ahead. Since then importers' share of the market has remained at about current levels.

While the general trend was down, certain individual foreign car makers did manage to boost sales. Toyota, currently the largest single importer, managed to lift its deliveries by 46 per cent. while Datsun, Honda and BMW all moved ahead.

The sharpest import falls were turned in by Volkswagen which posted a 45 per cent. drop. Fiat's sales fell 28 per cent. while Mazda's dropped 62 per cent. While British Leyland's year to year sales figures showed a 18 per cent. decline, the 1975 returns included now discontinued Marina sales.

THE U.S. AUTO INDUSTRY

Back to gas guzzlers

BY JAY PALMER IN NEW YORK

AFTER very nearly two and a half years in the doldrums, the huge U.S. auto industry is once again moving ahead. Bolstered by unexpectedly strong new car sales and a simultaneous sharp swing back in demand away from small car imports, Detroit's big car executives are now hastily revising their earlier more pessimistic projections. Much to the surprise of just about everyone, 1976 could conceivably turn out to be one of the car industry's best-ever years.

Late last week, while announcing increases of almost 50 per cent. of the value of their first quarter sales, the two giants of the industry, General Motors and Ford Motor, both forecast 1976 total new car sales of around 10.5m. If correct, and at the moment many believe that such estimates err on the cautious side, that represents a near 25 per cent. gain on last year's dismally low 8.6m. The industry's all-time peak of 11.5m. was reached in 1973, before the oil embargo and the start of the U.S. recession.

The current recovery dates back to about the time the current year's new models were introduced last autumn. After falling more or less steadily ever since the end of 1973, sales of new vehicles last October moved higher and have not looked back since. During the first three months of this year, sales of domestically-made cars jumped 35 per cent. to just over 2m. and in the middle of last month the rate of advance accelerated still further to well over 50 per cent.

Over these same six months of booming total new car sales, the larger U.S. car makers have also benefited from an abrupt and perhaps equally unexpected swing of demand away from smaller vehicles. Brought to the height of popularity by the oil embargo-induced petrol shortages, sales of smaller sub-compacts and compacts moved strongly against the general industry pattern throughout 1974 and early 1975. Now this trend has been reversed and Detroit, which for all its diversification remains wedded to traditional "gas guzzlers," is reaping the rewards.

Nowhere is this trend more apparent than in the recent dismal sales performance of imported cars which, with a few obvious exceptions at the more expensive end of the price scale, have a justifiable reputation for greater fuel economy. In a mirror image of the general upturn domestically, sales of imports last autumn reversed their 24-month boom and started falling. During the first quarter of this year, imports took a mere 13 per cent. share of the total U.S. new car market, compared with over 20 per cent. 12 months earlier.

Even now, Detroit remains somewhat confused as to why the basic recovery was so unexpectedly strong and the switch away from low petrol consumption cars so violent. The upturn last autumn was almost certainly sparked off by the relatively modest price increases of new model year vehicles. In the context of the strongly recovering economy, easier and cheaper personal credit and a sharp relative decline in the average personal debt burden, this was enough to bring back into the market consumers who had previously put off buying replacement vehicles.

There is also some belief and evidence that 1974 buyers of smaller cars decided to trade up to larger ones when it came to replacement, since memories of the oil embargo and petrol shortages were receding. Above all else, social analysts have noted the continued strong link between big car ownership and U.S. community status.

Sales of U.S.-made sub-compacts have collapsed during the last six or seven months. Their share of the total U.S. market has slipped from over 18 per cent. a year ago to no more than 12 per cent. now. American Motors (AMC), Detroit's one real small car specialist, was of course hardest hit, but even GM, Ford, and Chrysler have been forced to cut back their once ambitious small car expansion plans. Smaller car divisions are still having to resort to huge price rebates, free optional extras, and even selective plant closings and laying off men to balance dull sales against excessive output

The Big Three's current total stocks of unsold new cars are now well below the 60 to 70 days' supply normal at this time of year. Broken down by size, however, the divergence is immense. Stocks of larger cars such as Oldsmobiles, Chevrolets and Buicks are now equal to no more than 20 or 25 days supply. At the same time, stocks of such typical smaller cars as Chevettes (GM), Pintos (Ford), Vegas (Chrysler) and Pacers (AMC) are between 100 and 130 days. There is a very real fear that the coming months could see a famine of larger vehicles and an uncontrollable glut of smaller ones.

While the car industry may have been caught off balance by the timing and the strength of the big car sales upturn, it was very fortunate that the surge occurred when it did, in the final quarter of the calendar year. In any other three month period, Detroit's continuing worries about how long the surge would last would almost certainly have resulted in production being held back in anticipation of a reaction. As it was, companies were operating plants at full capacity in an attempt to build up stocks of new vehicles.

Since the start of this year, at least with large cars, the Big Three have been operating at virtually full capacity, working double shifts and on Saturdays on most lines. The U.S. car makers combined are working at a rate which would result in annual production of 9.05m. cars, compared with 9.5m. in peak 1973 and a theoretical upper limit (all lines at maximum levels) of 11.5m. Yet, as decreasing stocks indicate, this may not be enough to meet demand.

Production in Canada can obviously be increased to supply excess U.S. demand and, although at great cost, small car lines can be converted to make larges cars, that is taking a long term view and the industry is well aware that a very large share of available plant is scheduled to close for conversion to make 1977 models. In the case of GM, which is really spearheading the massive planned changes with over 40 new saloons to come, the change will mean closing nine of its 33 plants for five weeks each, a status that both the company and the industry can ill afford.

Aside from such planned plant closures, the industry's future production capability is clouded by both the current rubber workers' strike against tyre makers, and this autumn's scheduled negotiations with the auto workers for a new contract. For the full year, and the industry as a whole, production is expected to rise by 33 per cent. (including a planned 24 per cent. drop at AMC). If, however, car makers run through their existing four weeks' supply of tyres, or the auto talks bog down because of continuing high unemployment at the small car end of the industry, these targets will almost certainly be missed.

But unless something really dramatic occurs, it seems clear that the Big Three will all manage to turn in significant profit improvements over 1975. In the first quarter GM lifted its profits 14-fold and both Ford and Chrysler turned in profits, compared with losses in the same three months of last year. Big cars will continue to be more profitable (thanks partly to average higher value optional extras) while the industry's relatively high level of fixed costs ensures that the current total volume gains pass quickly into profits.

In the autumn, the industry is going to have to decide whether to risk dampening sales by making larger price increases than expected.

If stocks continue to remain low, the companies will have the option of risking a sales downturn and building vehicles for inventories. However one looks at it, the very heavy planned capital expenditures over the next few years more or less demand continued high profits and at least some move to recover higher costs, such as wage and steel rates.

At the same time, Detroit is going to have to come to terms with the changing patterns of demand for cars and, above all else, continuing suggestions that American car buyers have apparently decided to replace their vehicles less frequently. While it can still be argued that the future automobile market in this country will inexorably shift towards vehicles relatively more economical on fuel (thus small sizes), such a commitment in today's market could prove over hasty.

MARKET SHARES BY CAR SIZE

(All figures per cent.)

	1974	1975	1976 (first quarter)
Sub-compacts	15.2	18.4	11.8
Compacts	19.6	20.9	22.9
Intermediates	21.9	20.4	27.4
Full size	23.1	18.2	22.9
Imports—all sizes	17.2	21.9	13.8

Trudeau in oil price discussions

Prime Minister, Pierre Trudeau met Provincial Premiers yesterday to seek agreement on a higher crude oil pricing policy which would automatically result in increased natural gas prices through an indexing system, AP-DJ reports from Ottawa. It was understood that agreement on a new pricing policy would not be reached and that the Federal Government will have to arbitrarily raise prices. The Province of Ontario has been advocating a new method of arriving at oil prices which would result in a price hike of only about 20 cents a barrel over the next 12 months. The Federal Government wants a price rise of $4.60 a barrel over the next two or three years.

Humphrey's health

Senator Hubert Humphrey's doctor says a physical examination of the Minnesota Democrat showed no progression of a pre-cancerous bladder condition, UPI reports from Washington.

Diplomatic links

Singapore and Cambodia yesterday established diplomatic relations at ambassadorial level, the Government here announced, Reuter reports from Singapore.

Panama in tuna fishing dispute

PANAMA CITY, May 6.

THE PANAMANIAN Navy has bottled up two American tuna boats in the U.S.-administered Panama Canal zone and demands they pay fines of $100,000 each for illegally fishing in Panamanian waters, according to officials here.

In Washington, the State Department said it had received a note from Panama protesting that there were vessels owned by American firms fishing in Panamanian waters.

Sr. Carlos Arellano Lennox, director of Panama's marine resources, said that Panamanian aircraft saw four U.S. tuna boats fishing illegally within the 200-mile fishing limit on April 25. Panama ordered a gunboat to intercept them, but two boats got away and the others fled to canal zone waters.

Meanwhile, five home-made bombs exploded here to-day in widely-separated districts. Police said there were no reports of casualties or major damage, but they had no clue as to who planted the bombs or whether there was any political motive.

The U.S. and Panama have been negotiating since 1974 over the status of the Panama Canal. Panama wants to end the 1903 treaty which gave the U.S. sovereign rights to the canal.

Agencies

Argentinian cost of living

BUENOS AIRES, May 6.

THE COST of living in Argentina in the last 12 months has increased by 713.4 per cent., it has been officially reported. This is a world record.

During the first four months of 1976, the cost of living increase was 154.5 per cent. In March, it was 38 per cent. and in April—the first full month of the new military regime—34 per cent.

Meanwhile a member of a team from the Inter-American Development Bank now in Buenos Aires has estimated that Argentina will receive IAD credits totalling $250m.

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Rhodesia facing a fresh threat

BY TONY HAWKINS — SALISBURY, May 6

GUERILLAS have tried to sabotage the railway line from Bulawayo to Botswana near the Rhodesian/Botswana border, an official communique revealed today. This is the first such attempt at guerilla activity in the south west of Rhodesia and gives rise to speculation that guerillas are now operating from within Botswana for the first time. However, the Communique does not give any details of whether the guerillas came from Botswana or from Mozambique. It merely says that an attempt was made to sabotage the railway, causing minor damage, which was subsequently repaired. No delays to passenger traffic resulted.

All rail passenger traffic and a small proportion of goods traffic between Rhodesia and South Africa use this line.

The communique also revealed that eight more guerillas had been killed and others captured in counter-insurgency operations.

One white and one black soldier have also been killed. An African curfew breaker and an African woman who was "running with the terrorists" were also killed and quantities of arms and ammunition were captured.

Surprise PRP win in Durban election

BY STEWART DALBY — JOHANNESBURG, May 6.

THE anti-apartheid opposition, Progressive Reformist Party caused an upset in the important South African White by-election yesterday by beating the well-entrenched United Party at Durban North.

Mr. Harry Pitman, the Progressive Party candidate, won by gaining 37.3 per cent. of the vote in a four-cornered race. His victory represented a swing of 28.6 per cent. away from Mr. Ron Reynolds, the United Party candidate.

A jubilant Mr. Colin Eglin, the leader of the Progressive Reformists, who now have 12 seats in the 171-seat South African totally White Parliament, immediately said after the results were known: "Two clear messages come from Durban North—the PRP is the instrument for effective constructive opposition and the voters want enlightened changes to be made away from race discrimination."

Political observers here were inclined to agree with the first part of Mr. Eglin's statement but not necessarily with the second. Durban is traditionally the heartland of the White English-speaking South African. Durban North has always been rock solid for the United Party, the party of General Jan Smuts, the country's World War II hero and leader.

When the Progressive Reformists last contested the seat in the general election of 1974 they lost their deposit. The Progressive Reformists are now claiming that they should become the official opposition, since if the United Party has lost Durban North it cannot consider any of its 36 seats safe. The Progressive Reform Party is more agrressive than the United Party. It stands primarily for better opportunities and advancement of Blacks and an easing of the ruling Nationalist Party's race policies. The United Party has seemed lacklustre, offering no real policies and a lack of leadership.

One political commentator said "the United Party is like Mr. Ian Smith in Rhodesia; obituaries are always being written but there it still is." He did concede, however, that there was obviously a definite "transference" to the Progress, but said this could not really be construed as a swing by the electorate in favour of more radical policies on internal détente.

Far more significant, he thought, were the gains made by the Nationalist Party candidate, Dr. Denis Worrall. He came a close third behind the United Party condidate. In the 1974 election the nationalists did not even bother to contest the seat feeling it was diehard English speaking territory. The strong swing towards the Afrikaaner-based Nationalist Party, which has 122 seats in Parliament, was seen as a ringing endorsement for the "verlighte," or "outward looking and enlightened" policies or Mr. John Vorster, the Prime Minister.

Political observers feel that in the uncertain times for South Africa, Mr. Vorster is moving at the right speed. He is trying to ressurect his détente with neighbouring African countries, but is doing very little about changing the situation internally.

Independent, Mr. Martin Louw, who ran a campaign based on Rhodesia and the lack of assistance South Africa is giving Rhodesia, vanished without trace and lost his deposit.

MPLA confiscation

BY JANE SERGEROL — LUANDA, May 6.

SEVEN MAJOR industrial concerns were confiscated yesterday and placed under Angolan State control as the MPLA Government has begun step by step implementation of its May Day law confiscating economic assets abandoned by Portuguese private entrepreneurs. Among the seven concerns are the Champalimaud group's steelworks, a cement plant, two textile companies and three sugar companies.

Twelve agricultural companies in different parts of the country have also been confiscated.

The Government is examining each case individually. Shares owned by foreign non-Portuguese private interests are exempt from State control or confiscation, as exemplified in the case of one of the textile companies confiscated whose Dutch shareholders are specifically stated to be outside the scope of the Government's action.

In each case of confiscation, the Government has made specific charges against the former owners. Thus the cement company is charged with having misappropriated funds (considered a case of "economic sabotage") as well as having been abandoned by its management which closed part of the works. The Champalimaud steelworks have been confiscated as a strategic industry needed for national reconstruction and currently in a critical financial position "fundamentally due to a bad financial policy aimed at favouring the Champalimaud group's interests." Its monopolistic position in the economy is also cited.

During the last six weeks a number of other abandoned Portuguese interests have come under various forms of State control.

At present, however, the impression is that the Government's main preoccupation is to get the economy moving again, and that its legislation is aimed at empowering the authorities to start production moving in paralysed factories and plantations.

Friendship pact agreed

BY KENNETH RANDALL — CANBERRA, May 6.

OFFICIALS of the Australian and Japanese Governments have agreed on the text of a basic treaty of friendship and co-operation, described by the Prime Minister, Mr. Malcolm Fraser, as "unique in the history of international relations."

Mr. Fraser told Parliament to-day that approval of the draft treaty by the two Governments was regarded as a formality since the issues involved had been referred to both parties progressively as they arose during negotiations.

Mr. Fraser and the Japanese Prime Minister, Mr. Miki, will sign the treaty during the Australian Prime Minister's visit to Japan next month.

Mr. Fraser said the treaty was "designed to be an umbrella under which further agreements may be made and relations developed in specific areas. It would give each party significant benefits. The treaty will be the most important step ever taken by an Australian Government in our relation with Japan."

Japan's 20-year N-plan

The Nuclear Energy Council, an advisory body to the Japanese Government, has tentatively compiled a Y2,400bn. 20-year nuclear energy development programme, the Ministry of International Trade and Industry announced yesterday. AP-DJ reports from Tokyo. The Council is expected to compile and submit its final recommendation on the programme by the end of next March. The tentatively compiled programme calls for development of a 7,000-tonne per-year uranium ore mine overseas, construction of a large-scale uranium reprocessing plant by 1987, and establishment of an organisation to promote disposal of radioactive materials.

Ethiopia's revolution tumbles towards anarchy

BY A CORRESPONDENT

ETHIOPIA is only a short step away from total anarchy, a fact the country's Provisional Military Administrative Council has come as close to confirming as it decently can. Addresses to the nation, proclamations, marathon statements and warnings have been showered on the people with all the violence of the current short rains. The most remarkable development was a statement threatening "stern measures" against incitement to armed robbery and disruption of the private sector of the economy.

The statement, which on the official Ethiopian News Agency's teleprinters ran to six feet of paper without the benefit of paragraph spacing, conveyed a sense of desperation in its confused use of the Marxist idiom. It spoke of "reactionaries" misleading the "oppressed masses" into selling their "plough oxen, produce and carts" because the working class had been deceived into believing that the Government intended to nationalise them.

Kabellas

Members of the "petty bourgeoisie" — petrol pump owners, grocers, and the owners of small manufacturing businesses were not, the statement said, the "class enemies" of the revolution. They had been just as much "oppressed" by the previous regime as the "broad masses" and were not, therefore, to be interfered with since they were running their affairs "in line" with previous proclamations setting out the rules for private enterprise.

The Government was in fact admitting how greatly some its recent ideas have misfired. Only a few months ago, the Government urged the "broad masses" living in reasonably well-defined districts of the urban areas to form *kabellas*, meaning associations of tenants. Wide powers were vested in the *kabellas*, including that to collect rents on properties letting for £25 a month or less, and to exercise certain police and judicial functions. *Kabellas* may set up courts to try landlords alleged to have infringed measures of urban land nationalisation.

Far from having being infiltrated by "reactionaries," as the Government has claimed, many of the *kabellas* in the capital are notably left-wing and have seized with relish on the Government's frequently expressed view that, in Ethiopia, the interests of the working class will predominate. Unfortunate petrol pump owners and small businessmen have found themselves deprived of their businesses and profits when the *kabella* called. A favourite tactic is to arrive at a businessman's office with the news that he will contribute, say, £100 to the *kabella's* fund for the poor. Other businesses, especially the small street-corner grocers, have simply had their shelves emptied.

In Addis Ababa, where a midnight curfew has been in force since the revolution began, other curfews have been imposed by the *kabellas*. In a country where petty crimes of desperation have been increasing sharply—for instance housebreaking to steal food, not valuables—many of these measures make sense, but you might easily find yourself stopped three times in the course of a night's drive across Addis at "informal" roadblocks set up by *kabellas*—or, since there is often no way of identifying them, by sharp *shiftas* (bandits) who have cashed in on the development.

> "We have succeeded in creating dozens of private armies." Ethiopian civil servant.

The minor inconveniences are as nothing compared with the very real power some of the *kabellas* have developed. The Government, surely, can have had no idea that certain of the *kabellas*, in densely-populated areas, would have an income of £5,000 and more a month—a fortune in Ethiopia—from the collection of house rents alone. Such amounts can buy both power and guns in Ethiopia. A civil servant concerned with community affairs in Addis said: "We have succeeded in creating dozens of private armies. The irony is that they are much better at raising and collecting revenue than we ever were." The point about the guns is not surprising in Ethiopia since a conservative estimate, produced some years ago, asserted that there were 70,000 weapons in private hands in the capital alone. In at least one *kabella*, an arsenal of AK-47 automatic rifles is being assembled. "We have three," said a proud member, "and more will be coming soon."

A more profound source of worry to the Government than the *kabellas* is the general political situation on which depends the general internal security position. On the night the marathon statement was published, the Government also reported that a demonstrator had been shot and killed by security forces in Addis Ababa. By some melodramatic mischance, the demonstrator, who had been demanding democratic rights in Ethiopia, died at the feet of the freedom monument. He also died almost exactly 24 hours after the announcement of a proclamation promising the eventual return of democratic rights. The proclamation gave the appearance of allowing new political parties to be formed in a "national democratic revolution." But such parties will have to toe a line drawn by a "united revolutionary front," and will depend for their existence on a favourable judgment from a group to be set up to decide whether each party is in line with the "aims and objectives" of the revolution. Quite how such decisions will be reached, and by whom, is the subject of much heated debate in Ethiopia. Present guessing is that a 15-man civilian politburo, headed by Hailu Fida, will make the decisions.

The proclamation, a vaguely worded document, is believed in informed circles to be the strongest indication yet of how desperate the Government is in its fight to retain control of a situation which could burst into flame. Sources close to the Derg (the ruling military council), say the Government was forced into making the proclamation prematurely by the strength of opposition propaganda in the rural areas. There is strong evidence to support this view. Left-wing groups in the capital have dismissed the proclamation as just another crude attempt by the military to justify their remaining in power.

In a nationwide radio and television address which preceeded the proclamation, the First Vice Chairman of the Provisional Military Administrative Council, Major Mengistu Haile-Mariam, spoke of rebellions in Wollego, Begbemdir and Semien, Bale, Sidamo, Kaffa, Shoa, Wollo and Gojjam. He also said, in something of an understatement, that "our surroundings do not favour our revolution." Major Mengistu also made a great deal of the plight of the "oppressed masses."

The most potentially dangerous development is only beginning. The underground press—Ethiopia's only genuine growth industry—is branding the Government as a "fascist military dictatorship" and is warning, ominously, that fascism has never been overthrown anywhere without the spilling of much blood. Workers, students and "progressive socialist forces" are being told in pamphlets that they must be prepared to sacrifice their lives to overthrow the regime.

Chaos

It has been fashionable for the past year to say, after one administrative blunder after another, that the Government cannot survive much longer. Now, with two opposition parties—the pro-Peking Ethiopian Revolutionary Peoples Party, and the pro-Moscow All Ethiopia Socialist Movement (the Broad Masses Party)—both justifiably claiming wide and open support, and the chaos in the countryside, the process of disintegration is gathering speed.

But the central question remains, who takes over if the military are overthrown. One Western diplomat in Addis, a keen student of Ethiopia's intricate history, believes the country is heading for a return to the historic situation of a dozen or so hostile provinces being ruled by petty war lords. On the available evidence he could be right.

LEGAL NOTICES

No. 00314 of 1976
In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of ROWE DECORATIONS LIMITED and in the Matter of The Companies Act, 1948.
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 15th day of March 1976, presented to the said Court by LONDON STONE CLEANING AND RESTORATION COMPANY LIMITED whose registered office is situate at Pritchard House, South Hill Avenue, South Harrow, Middlesex, a Creditor, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 24th day of May 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.
FREEDMAN & CO.,
18 Mansfield Street,
London W1M 9FG
(Ref: SA EB L 6 823).
Solicitors for the Petitioner.
NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 21st day of May 1976.

No. 00949 of 1976
In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of ELMHURST SECURITIES LIMITED and in the Matter of The Companies Act, 1948.
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 18th day of March 1976 presented to the said Court by HILL SAMUEL & CO. LIMITED whose registered office is at 100 Wood Street, London EC2P 2AJ, Bankers, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 24th day of May 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his Counsel, for that purpose; and a copy of the Petition will be *furnished by the undersigned to any* Creditor or Contributory of the said Company requiring such copy on payment of the regulated charge for the same.
LINKLATERS AND PAINES (RTL)
of Barrington House,
59-67 Gresham Street,
London EC2V 7JA.
Solicitors for the Petitioner
NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 10th day of May 1976.

No. 001239 of 1976
In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of ROLAM INVESTMENTS LIMITED and in the Matter of The Companies Act, 1948.
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 23rd day of April 1976 presented to the said Court by HARRIS SAUTON & COMPANY (a firm) carrying on business at 28 Bolton Street, London W1Y 8HB, Chartered Accountants, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 19th day of May 1976 and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.
ARTURO BARONE,
19 Bedford Row,
London WC1R 4LB.
Agents for ANDREWS FINE & CO.,
4 Hillside,
Shanklin, Isle of Wight,
Solicitors for the Petitioner.
NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 21st day of May 1976.

No. 001293 of 1976
In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of PERSIAN AND MUCHAL ART LIMITED and in the Matter of The Companies Act, 1948.
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 8th day of April 1976, presented to the said Court by BP CHEMICALS LIMITED whose registered office is situate at Britannic House, Moor Lane, London, E.C.2, and that the said Petition is directed to be heard before the Court sitting at the Chambers of the Registrar, Companies Court, Thomas More Building, Royal Courts of Justice, London, W.C.2, on the 19th day of May 1976, and any Creditor or Contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his Counsel, for that purpose; and a copy of the Petition will be *furnished by the undersigned to any* Creditor or Contributory of the said Company requiring such copy on payment of the regulated charge for the same.
LINKLATERS AND PAINES (RTL)
of Barrington House,
59-67 Gresham Street,
London EC2V 7JA.
Solicitors for the Petitioner
NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than ten o'clock in the morning of the 10th day of May 1976.

No. 001293 of 1976
In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of PERSIAN AND MUCHAL ART LIMITED and in the Matter of The Companies Act, 1948.
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 23rd day of April 1976 presented to the said Court by HARRIS SAUTON & COMPANY (a firm) carrying on business at 28 Bolton Street, London W1Y 8HB, Chartered Accountants, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 19th day of May 1976 and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.
ARTURO BARONE,
19 Bedford Row,
London WC1R 4LB.
Agents for ANDREWS FINE & CO.,
4 Hillside,
Shanklin, Isle of Wight,
Solicitors for the Petitioner.
NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than ten o'clock in the afternoon of the 21st day of May 1976.

BOND DRAWING

IRELAND 9¾% 1974/1984 UA 20,000,000

Bonds for the amount of UA 1,000,000 have been drawn for redemption in the presence of a Notary Public on April 23, 1976.
The Bonds will be reimbursed coupon No. 3 attached on and after June 12, 1976.
The numbers of the drawn Bonds are as follows:
12.845 to 13.844 incl.
Amount outstanding: UA 18,000,000.
THE FISCAL AGENT
KREDIETBANK
Luxembourg May 7, 1976. S.A. Luxembourgeoise.

ELECTRICITY SUPPLY COMMISSION —E.S.C.O.M.
9¼% 1970-1980 UA 12,000,000
LOAN
FINIMTRUST S.A. Luxembourg hereby gives notice that in accordance with the terms of the above-mentioned loan an amount of UA 400,000 has been drawn by lot on April 23, 1976 in the presence of a Notary Public.
The drawn Bonds may be presented to KREDIETBANK S.A. Luxembourgeoise 57, rue Notre-Dame, Luxembourg or to the other Paying Agents named on the Bonds, on and after June 26, 1976.
Bonds surrendered for redemption should, have attached all unmatured coupons. Coupons due June 26, 1976 should be detached and collected in the usual manner.
The numbers of the drawn Bonds are as follows:
545 to 555 incl., 561 to 564 incl., 566 and 567, 569 to 580 incl., 583 to 593 incl., 596 to 610 incl., 613 to 627 incl., 631 to 677 incl., 680 to 683 incl., 693 to 750 incl., 759 to 770 incl., 773 to 838 incl., 841 to 857 incl., 890 to 895 incl., 899 to 901 incl., 903 to 962 incl., 964 to 3021 incl.
Amount outstanding: UA 4,500,000.
Amount purchased on the market: UA 800,000.
Outstanding drawn Bonds.
1966—1995—5516—5522 to 5525 incl.—5602—5630 to 5635 incl.—5647 and 5648—5661 to 5667 incl. —5671—5695 to 5697 incl.—5747 —5760 to 5767 incl.—5771 and 5772 —5776 to 5780 incl.—5785 to 5789 incl.—5850 to 5853 incl.—5868—6036 to 6042 incl.—6091—6114—6137 and 6138—6161—6163 and 6154—6180—6205—6250 and 6251 —10903—11161 and 11182—11247—11335 to 11342 incl.—11349 —11508 and 11589—11685.
The Trustee,
FINIMTRUST S.A.
Luxembourg, May 7, 1976

SOCIETE DE DEVELOPPEMENT REGIONAL (S.D.R.)
8% 1971/1986 UA 12,000,000
Bonds for the amount of UA 286,000 have been drawn for redemption in the presence of a Notary Public on April 23, 1976.
The Bonds will be reimbursed coupon No. 6 attached on and after July 5, 1976.
The numbers of the drawn Bonds are as follows:
11,074 to 11,359 incl.
Amount purchased in the market: UA 514,000
Amount outstanding: UA 8,000,000
Outstanding drawn Bonds:
6758 and 6759 6764, 6791 6802 to 6806 incl. 6808 to 6811 incl. 6815 to 6819 incl. 6821 6829 to 6841 incl. 6843 6849, 6926 and 6927 6950 6994 7010 and 7011 7026 to 7030 incl.
Luxembourg May 7, 1976.
THE FISCAL AGENT
KREDIETBANK
S.A. Luxembourgeoise.

CONTRACTS AND TENDERS

A. G. McKEE & CO.
on behalf of
YACIMIENTOS PETROLIFEROS FISCALES BOLIVIANOS
INTERNATIONAL PUBLIC LICITATION NO. 20
PURPOSE: Supply of approximately 5 ton stranded annealed electrolytic copper bare cable: 70, 35 and 16 MM2—for a refinery at Cochabamba, Republic of Bolivia.
OPENING OF BIDS: On June 10, 1976 at the below-mentioned offices, at 11:00 a.m. The bids will be received until that date and time.
PRICE OF SPECIFICATIONS AND BIDDING CONDITIONS: U.S. $25.00 or its equivalent.
INTERNATIONAL PUBLIC *LICITATION NO. 21*
PURPOSE: Supply of approximately 97 ton thermoplastic insulated electrolytic copper cable (several sizes), for 1.1 and 3.3 KV, service tension, with and without armor, in accordance with IPCEA, standard S-61-402 and U.L. 83, Underwriters Laboratories standard—for a *refinery at Cochabamba*, Republic of Bolivia.
OPENING BIDS: On June 23, 1976 at the below-mentioned offices, at 11:00 a.m. The bids will be received until that date and time.
PRICE OF SPECIFICATIONS AND BIDDING CONDITIONS: U.S. $50.00 or its equivalent.
BID BOND: 0.5% of the amount of the bid.
INQUIRIES AND DOCUMENTATION: Inquiries may be made and specifications and bidding conditions may be secured at the offices of A. G. McKEE & CO. ARGENTINA, S. A., Hipolito Yrigoyen 440, 8th floor, Buenos Aires, Argentina.
VALIDITY OF OFFERING: Ninety days following bid opening date.
FINANCING: By the BANCO INTERAMERICANO DE DESARROLLO (INTERAMERICAN DEVELOPMENT BANK), in accordance with Contract No. 225 OC-BO with the Government of the Republic of Bolivia.

ART GALLERIES

ANDRE DERAIN—Sculptures in bronze —Victor Waddington, 26, Cork St., London W.1. Daily 10-1, 2.15-5.30. Sats. 10-1. Until 22nd May.
COLNAGHI'S, 14, Old Bond St., W.1. 01-491 7408. PERSIAN AND MUGHAL ART until 20 May. Mons.-Fri. 9.30-5.00 Sats 10-1.
CURWEN GALLERY, 1 Colville Place, Charlotte St. W1P 1HN. 01-636 1459. Lucie Cox's moving point show Original lithography by Moore, Piper, Hepworth, Richards Scott Frick Herman, Trevelyan, Gentleman and many others. Prices £5 to £600. Catalogues sent free on request.
PORTRAIT PAINTERS. Royal Society's Good Annual Exhibition Mall Art Galleries, The Mall, S.W.1. Mon.-Sat. 10-5 until 19 May. Adm 50p.
BEDFORD HOUSE GALLERY, LILLO MESSINA PAINTINGS 106 Kensington Church Street W.8. 01-229 3136 Tues.-Sat. 10.00-1.00, 2.00-6.00
ROYAL ACADEMY OF ARTS. The MICHELANGELO MADONNA AND OTHER TREASURES IN THE PRIVATE ROOMS. Until 31st Oct. Wkdys. 10-6 (Closed Tuesdays). Suns. 2-6. Adm. 50p.
MARJORIE PARR GALLERY, 285 King's Road, Chelsea, S.W.3. JANE B. ARMSTRONG. Animal Sculpture. PHILIPPA DENBY. Landscape Paintings. Until May 22. Open all day Sat. Closed Mon.

CLUBS

THE GAS LIGHT, 4 Duke of York St. S.W.1. Dav 01-734 1071, *after 8 p.m.* 01-930 1648. One of London's more reliable establishments for quality entertainment. Superb Cabaret costs every 20 minutes. Intimate dancing to a sophisticated Trio. Entertain your valued clients among the plush surroundings of our discreet nightspots. Opens 8 p.m. till the early hours.
EVE, 199 Regent St. 734 0557. A la carte or Allain Menu. Three spectacular Floor Shows 10.45, 12.45, 1.45 and music of Johnny Hawkesworth and Friends.
GARGOYLE, 69 Dean Street, London, W.1. STRIPTEASE FLOORSHOW SEX UNLIMITED
Show at midnight and 1 a.m. Hostesses Monday-Friday. Closed Sats. 437 6455.

COMPANY NOTICES

ANGLO AMERICAN GOLD INVESTMENT COMPANY LIMITED
(Incorporated in the Republic of South Africa)
NOTICE OF GENERAL MEETING
Notice is hereby given that a general meeting of members of Anglo American Gold Investment Company Limited will be held at 44 Main Street, Johannesburg, on Tuesday, 1st June, 1976, at 12h00 for the purpose of considering and, if deemed fit, passing with or without modification the following resolution as a special resolution:
"That, subject to confirmation by the Supreme Court, the share premium account of the company amounting to the sum of R23,630,285.47 is hereby eliminated and that such sum be transferred to the Capital Reserve account of the company, and that application be made to the Supreme Court of South Africa (Witwatersrand Local Division) for confirmation of the aforesaid elimination of the share premium account of the company, and that any one of the directors of the company is authorised to take such action and to sign all such documents as may be necessary for that purpose."
Reason for and effect of the special resolution
The annual duty payable by the company in terms of section 174 of the Companies Act, 1973, as amended, is calculated at the rate of two rand and fifty cents for each ten thousand rand or part thereof of the issued share capital of the company plus its share premium account. The proposed special resolution will eliminate the share premium account and transfer the amount thereof to capital reserve, thereby reducing the company's liability for annual duty by R5,910 a year. The step is a reduction of capital in terms of the Act, and accordingly requires confirmation by the Supreme Court. Application to the Court will be made within sixty days of the passing of the special resolution.
Holders of share warrants to bearer who wish to attend this meeting in person or by proxy or who wish to vote at any general meetings of the company, must comply with the regulations of the company under which share warrants to bearer are issued.
The head office and United Kingdom transfer registers and registers of members of the company will be closed from 24th May to 1st June, 1976, both days inclusive.
A member entitled to attend and vote at the meeting may appoint one or more proxies to attend, speak and, on a poll, vote in his stead. A proxy need not be a member of the company.
A form of proxy, which sets out the relevant instructions for its completion, is enclosed for the use of members who wish to be represented at the meeting.
By Order of the Board
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED
Secretaries
per B. P. SAUNDERS
Divisional Secretary
Registered Office:
44 Main Street,
Johannesburg, 2001.
(P.O. Box 61587, Marshalltown, 2107).
London Office:
40 Holborn Viaduct,
EC1P 1AJ.
7th May, 1976.

INTERCOM
SOCIETE INTERCOMMUNALE BELGE DE GAZ ET D'ELECTRICITE
Société anonyme
Place du Trône 1, Brussels, Belgium
The Board of Directors has decided to propose to the annual general meeting of shareholders, which will take place on May 31st, 1976, the payment for the financial year 1975 of a dividend, net of Belgian withholding tax (forecompte mobilier) of BF 129 on each of the *12,000,000 shares representing the capital* on December 31st 1975.
For the financial year 1974, the following dividend has been paid:
—BF 129 on each of the 10,260,000 old shares representing the capital on December 31st, 1975 and
—BF 86 on each of the 1,740,000 new shares, entitled to dividend rights as from May 1st, 1974

INTERNATIONAL COMMODITY SHARE FUND
"ICOFUND S.A.H."
Société Anonyme
23, avenue de la Porte-Neuve
LUXEMBOURG
R.C. Luxembourg B 7942
NOTICE
Pursuant to a resolution of the Annual General Meeting of Shareholders held on the 27th of April 1976, payment of US$0.20 per share will be made on the 26th May 1976, with possibility of reinvestment in shares, without fraction, at the net asset value calculated on the same date. For that purpose Shareholders have to introduce their application before the payment date.
Paying Agents:
—Banca Commerciale Italiana in Milan;
—Banca della Svizzera Italiana in Lugano and in Zurich;
—Banque de Paris et des Pays-Bas in Paris, Amsterdam, Brussels, Geneva and London;
—Banque de Paris et des Pays-Bas pour le Grand-Duche de Luxembourg in Luxembourg.

JAMES BEATTIE LIMITED
NOTICE IS HEREBY GIVEN that the TRANSFER BOOKS relating to the ORDINARY SHARES and "A" ORDINARY SHARES (Restricted Voting) of the Company will be CLOSED from the 18th May to the 1st June, 1976, both dates inclusive.
By Order of the Board.
G. T. LOWNDES, Secretary.
71-78, Victoria Street,
Wolverhampton.

MOBIL OIL HOLDINGS S.A.
5¾% STERLING DEUTSCHE MARK GUARANTEED BONDS 1980
S. G. WARBURG & CO. LTD. announce that Bonds for the nominal value of £1,000,000 have been purchased for redemption on 15th June, 1976.
30, Gresham Street,
London EC2P 2EB.
7th May, 1976.

PANWIT TRUST S.A.
société anonyme
Registered Office:
LUXEMBOURG, 14, rue Aldringen
Registre de Commerce B No. 8.131
DIVIDEND ANNOUNCEMENT
PANWIT TRUST S.A. will pay a 10 cents US dividend per share on or after May 14th, 1976 to holders of record on April 29th 1976. Shares will be traded ex-dividend after April 29th, 1976.
The dividend is payable to holders of bearer shares against presentation of coupon number 1 at:
—Banque Generale du Luxembourg, S.A.
27, Avenue Monterey
LUXEMBOURG
THE BOARD OF DIRECTORS.

THE ASSOCIATED PORTLAND CEMENT MANUFACTURERS LIMITED
NOTICE TO HOLDERS OF BEARER WARRANTS
NOTICE IS HEREBY GIVEN to the holders of the Company's Ordinary Stock Warrants to Bearer that following a resolution passed at the Annual General Meeting of the Company held on 6th May, 1976, a Final Dividend of 5.25p per cent. on the Ordinary Stock of the Company for the year ended 31st December, 1975, will be paid upon presentation of COUPONS NO. 30.
Warrant holders who are employees of the Company or any of its subsidiary companies should follow the instructions shortly to be displayed on Company notice boards; warrant holders who are not employees must present their COUPONS NO. 30 to the company at the address shown below through an Authorised Depositary, e.g. Banker, Solicitor or Stockbroker, on or after 17th May 1976.
By Order of the Board
H. W. R. HAM, Secretary.
Portland House,
Stag Place,
London SW1E 5BJ.
7th May, 1976.

W. F. JOHNSTONE AND COMPANY LIMITED
(Incorporated in the Republic of South Africa)
DECLARATION OF AN INTERIM DIVIDEND OF 7½ CENTS PER SHARE ON THE ORDINARY SHARES FOR THE YEAR ENDED 30th JUNE, 1976
NOTICE IS HEREBY GIVEN that an interim dividend of 7½ cents per share has been declared payable to Ordinary Shareholders registered in the books of the Company at the close of business on 21st May, 1976.
The dividend is declared in the currency of the Republic of South Africa, and dividend warrants will be posted on or about the 4th June, 1976. The dividend payable to holders on the London Register will be paid in sterling.
The Company will deduct Non-resident tax of 15 per cent from dividends paid to shareholders whose addresses in the Share Register are outside the Republic of South Africa, and a further 23 per cent. in respect of United Kingdom Income Tax, to residents in the U.K., making a total deduction of 38 per cent.
For the purpose of paying the above dividend the Ordinary Share Register will be closed from 22nd May to 4th June, 1976 both dates inclusive.
BY ORDER OF THE BOARD
A. D. BRUNT
Secretary.

HOME NEWS

Special Air Services men held in Ireland

BY OUR DUBLIN CORRESPONDENT

EIGHT MEMBERS of the *Special Air Service were taken* to Dublin yesterday after being arrested about 300 yards inside the Irish Republic.

The men in plain clothes and carrying guns, were intercepted by Irish troops and police near a caravan site at Omeath, Co. Louth.

They were taken to Dundalk police station for questioning and brought to Dublin to appear before the Special Criminal Court which deals mainly with terrorist-type offences.

A Government statement said it was a matter for the Director of Prosecutions to decide whether the men should be *charged. He had decided to in*stitute court proceedings.

The British Ambassador to Ireland Sir Arthur Galsworthy was later called to the Department of Foreign Affairs in Dublin where he was informed of the decision to bring the men before the court. A British Army spokesman claimed that the crossing like hundreds of *others in the past year was acci*dental. A number of people living in the Omeath area said however that the men were about to search the caravan park for Republican prisoners who escaped from the Maze Prison on Wednesday.

The incident stirred up a political row in Dublin. Two attempts to raise the matter in the Dail, the Irish Parliament, failed, however.

Bill approved

Justice spokesman for the Fianna Fail opposition, Mr. Gerry Collins, unsuccessfully requested a statement from Justice Minister, Patrick Cooney. Later, a bid to have the border crossing discussed on the adjournment of the House by Independent Republican, Mr. Neil Blaney, was ruled out of order by the Speaker, Mr. Sean Treacy.

In another development the Irish Supreme Court ruled that a new Fugitive Offenders Bill is not repugnant to the constitution.

The Criminal Law Jurisdiction *Bill will permit courts* in the Republic to try people for terrorist-type offences committed in Northern Ireland or Britain. The Bill will be brought into operation in about six weeks after consultations between Mr. Cooney, Minister for Justice, and Mr. Merlyn Rees, Northern Ireland Secretary of State. A *similar Bill was passed* at Westminster.

The Special Air Service unit, whose depot is near Hereford, is made up of volunteers from other Army units. Its main role is to go behind enemy lines in war time.

Elements of the SAS—the number has never been disclosed but is thought to be small—were sent to Northern Ireland early this year for use in County Armagh following a wave af sectarian killings.

Reports that the SAS had been in Ulster on previous occasions were denied by the Ministry of Defence.

Parliament, Page 14

Building societies lending at 1972 record level

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

BUILDING SOCIETIES are now arranging mortgages at the record rate achieved during the last boom of 1972. But further expansion looks unlikely for the time being.

There is concern that any larger short-term injection of finance into private housing could trigger sharp price increases, although this view is not universally shared among societies and Government officials.

Commenting on reports that societies were being told to cut lending levels, a Building Societies Association official said the movement still intended to lend an estimated £6bn. to home buyers this year, representing a 20 per cent. increase over 1975. Last year, 650,000 loans were approved, a figure which, in 1976, could exceed 700,000.

The major societies, he added, *had merely been asked to ensure* that the monthly lending guidelines, jointly agreed by the association and the Government, were not wildly exceeded, as had become a possibility.

The comments coincided with the release of the Association's quarterly bulletin, which showed that the level of mortgage commitments is running at 70,000 a month, as high as in 1972. In the first quarter of this year, commitments stood at £1.6bn., which reflects the projected annual rate of about £6bn.

The Association says that the current record levels of inflow, together with societies' high liquidity, will enable them to continue to make new commitments at an average level of £500m. a month up until the end of June at least. Although they reached £586m. in March, they were £100m. lower in the previous month.

As far as actual advances are concerned, the current rate of about £500m. a month—they were £497m. in March—also looks set to continue. There is no doubt, however, that the figure could be higher but for the approximate annual lending target which has been set down.

House prices have so far not been affected by the very high lending levels—they rose last year by about 10 per cent. on average—and some society executives clearly believe that advances could still be stepped up further without setting off big price rises.

There is official concern, however, that because societies tend to enter into commitments on loans some months ahead and because it is virtually impossible to detect from short-term price statistics what is happening in the longer-term, there is an inevitable risk that an incipient house price explosion *could not be identified before it* was too late.

Societies have pointed out, however, that house prices are still high in relation to incomes, while council rents are low on the same basis. Demand also remains comparatively low in relation to supply, so prices have risen only moderately.

The Association's bulletin says that there has been an increasing concentration of lending towards first-time buyers and older properties, reflecting the cut in local authority lending.

NHS inquiry 'will not duck political issues'

BY DONALD MACLEAN

THE ROYAL Commission of Inquiry into the National Health Service will aim its work at "all" matters "properly the concern of patients and NHS workers," Sir Alec Merrison, chairman of the Commission, said yesterday.

The idea was in line with the terms of reference of the inquiry. "We shall not duck issues merely because they are politically sensitive."

At the same time, the work being done by the commission, which held its first meeting yesterday, was aimed at relatively long-term results.

It was geared to ensuring the best possible NHS care for the next generation rather than that of the present.

The Commission, announced in October by Sir Harold Wilson, the then Prime Minister, has invited a "general" submission of evidence. "It will be," Sir Alec said, "of crucial importance to our work to get the views of all those concerned with the NHS."

It would take some six-months *for the commission to "educate* itself" on the issues involved in the present inquiry and some two-to-three years to report, Sir Alec added.

Training Board backs 'progressive' teaching

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

UNEXPECTED SUPPORT for "progressive" teaching—now under attack as less efficient than the older formal methods at teaching the "Three Rs"—came from the Engineering Industry Training Board yesterday.

Mr. Frank Metcalfe, EITB chief executive, told the Institute of Personnel Management's London conference that a three-year study of the "industrial performance" of people taught by different methods indicated that informally-taught people had noticeably better "planning skills."

He defined these skills broadly as "the ability to think for themselves and organise their work."

Mr. Metcalfe linked this finding—from research at the Chelsea College of Science and Technology—with other studies which indicated that the planning skills were rarer and more difficult to inculcate than the "Three R" abilities which *research by Lancaster University* suggested were generally taught more effectively by formal methods.

"So the problem of which methods are best looks to be more complicated than it might seem."

One possible implication is that formal methods might be best applied in teaching basic skills at the primary-school level, with informal approaches being applied at later stages. Present practice, however, is largely the other way round.

Company failures highest for 16 years

BY TERRY WILKINSON

THE NUMBER of companies which failed in the first three months of this year was the highest for 16 years.

Figures released by the Department of Trade yesterday show that 1,535 failed in the quarter of which 692 were compulsory liquidations in the courts and 843 creditors' voluntary windings-up.

The overall total is about 5 per cent. higher on a seasonally adjusted basis than in the previous quarter, and some 26 per cent. higher than in the corresponding period of 1975.

These figures sustain the continuously rising trend in company insolvencies seen since the third quarter of 1973 when 574 companies collapsed.

As in the past, the trend in liquidations has persisted beyond a turning-point in the economy, largely because of delays associated with winding-up *orders in* the courts.

An analysis of failures again shows remarkably little change in the distribution of insolvencies.

In 1975, the total in the construction industry fell from 21 per cent. to 18 per cent. and in manufacturing from 25 per cent. to 24 per cent., while the compensating rise in other industries reveals no overall pattern.

Personal bankruptcies, in the form of receiving orders, having levelled off during 1975, have also resumed their upward trend. In the first quarter of 1976, 1,843 receiving orders were *made*, 6 per cent. higher than in the previous quarter, but about 1 per cent. below the levels of 12 months ago.

In 1975, self-employed individuals again accounted for about 70 per cent. of the total, and the construction industry, at about 23 per cent. of all bankruptcies, *remained the biggest single* category.

Two more frigates to support trawlers

By David Buchan

THE ANNOUNCEMENT yesterday that two more frigates and a civilian tugboat had been sent to Icelandic waters "evens the odds with the gunboats," a British Trawler Federation spokesman said in Hull last night.

The six frigates will now match the number of gunboats the Icelanders are now fielding—the trawlermen tend to discount the seventh and smallest Icelandic gunboat, a converted whaler nicknamed "Moby Dick."

It was not immediately clear what the reaction of the British skippers on the Icelandic grounds would be to the announcement by Mr. Fred Peart, the Agriculture and Fisheries Minister.

Some were fishing yesterday, but the British United Trawlers ships, half the 16 British *trawlers off Iceland, had laid up* their gear yesterday and several vessels may stay laid up until the new frigates arrive on Monday.

The trawler owners and skippers warn that the key to the matter is how the reinforcements are used. There has been sharp criticism here over the "weak-kneed" tactics of the Navy in *the past fortnight in the face of* increased gunboat harrassment.

No 'bumping'

Whereas the Navy has been ready to "bump" the gunboats before, at considerable damage to its thin frigate hulls, it has recently confined itself to giving the trawler skippers warning of impending gunboat warp-cutting runs and leaving it at that.

The skippers I spoke to yesterday were divided on whether the recent tactics were the responsibility of the local Navy comander or the Ministry of Defence in London.

Skipper Albert Cabbison of the Kingston Amber, who arrived back from Iceland on Wednesday, accepted the Ministry assurance that its instructions had not changed. For him, "the commander of the Galatea (the local RN commander) is the culprit."

But rather more skippers suspect that the Defence Ministry and Whitehall, alarmed at the ramming of nine frigates so far and anxious to cool the cod war while diplomatic talks go on, had changed its instructions to the frigates.

Skipper Sidney Morrell of the Kingston Pearl, was one of many who praised the Navy commanders and thought that they would not have changed tactics without word from London.

Education has failed industry—ex-Minister

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

A FORMER Labour Minister of State for Education yesterday attacked heads of the Department of Education and Science for ruling out action to bring higher education more into line with industry's needs of managerial manpower.

The attack came from Lord Crowther-Hunt, who was relieved of his education post when Mr. Fred Mulley became Education Secretary last year, was switched to devolution policy, and finally resigned from the Government when Mr. Callaghan became Prime Minister.

Lord Crowther-Hunt told the Institute of Personnel Management's London conference that this country's system of higher education had "significantly failed" to produce the sort of people that industry needed. It must not be left to go on doing so.

Drawing on survey evidence, Lord Crowther-Hunt indicated that the main path to senior management in Britain was a public school background and an arts-side degree.

By contrast, senior managers in more successful European and North American countries tended to have been educated as "technical generalists." Of a study sample of French managers, for example, six out of every ten had been engineers by training, and three of the others had been educated in economics or "modern-world" law.

Even so, said the former Minister—who is a historian by training—the British tendency seemed to be to produce more arts-side people, and fewer people with training that corresponded with that of the technical generalists overseas.

"We now have the abysmal situation in which the universities are spending money converting empty science and engineering places for use by those wanting to read arts degrees, and the polytechnics are devoting an increasing amount of their efforts to the production of sociologists.

Differential grant

"*And it is in the universities'* interest to fill their places with anyone, because that's how the University Grants Committee's grants system works."

Lord Crowther-Hunt thought that one possible remedy might be the introduction of differential grants, higher for those studying technology and science topics than for their counterparts on the arts side.

The prime need, he said, was for Government action which could guide higher educational institutions towards adjusting their output according to the best evidence available of the manpower skills needed, particularly in productive industry.

The "manpower-planning approach" he was advocating was definitely not the sort of detailed, directive exercise which Mr. Gerry Fowler, Lord Crowther-Hunt's successor as Minister for higher education, condemned as impracticable in a speech on Friday.

"I was advocating something very much broader than that," the former Minister declared.

Broad view

"What I envisaged was a very broad category manpower budget—rather than in specifically occupational terms—forecasting for 10 or more years ahead the country's likely need for engineers, scientists and new general purpose people, with these forecasts up-dated—say—every two years."

The education service must show it had a contribution to make to the solution of the country's economic problems Lord Crowther-Hunt added.

Educational institutions and civil servants needed to realise that by maintaining "an attitude of at best aloof indifference and at worst downright hostility" they were acting against their own interests.

"If we don't do something on these lines, the education service is going to lose out still further in the next round of public expenditure cuts."

Minister to visit jet noise school

A SCHOOL near Heathrow Airport where, a teachers' union claims, pupils have higher than average hearing disability, is to be visited by Mr. Clinton Davis, Department of Trade Minister.

Beavers Junior School, Hounslow, is within 800 yards of one of the airport's runways, and only two of its classrooms are sound proofed. According to the National Union of Teachers, a survey at the school has shown that children have had a higher than average hearing disability although the local authority would not specifically attribute it to the noise of screaming jets.

Mr. Dick Boland, a NUT official said yesterday that the aim had been to persuade Mr. Davis to allocate a grant enabling the school to be sound-proofed.

The union estimates that it would cost up to £300,000 to adequately sound-proof the school.

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The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● HANDLING

Heavier loads to go by tube

USES FOR the Jumbo airtube system announced recently by Dialled Despatches of Gosport are taking them into industrial materials handling areas previously thought of only in terms of lift trucks and trolleys.

One customer is already using the system to carry electrical components to give works service engineers an express supply. In contrast, a system soon to start work at the new Liverpool Teaching Hospital will be used to speed X-ray films to and from the processing unit. That should reduce the delays for patients.

Security aspects have not been lost on the finance world. One company at least is to use the system to carry valuable documents to and from its vaults.

These airtubes systems operate by propelling carriers through a pvc tube by forced air movement. The tubing in this case is 250 mm. (10 inches) in diameter. Carrier payload is 10 kg.

Other uses being considered by industry are to transport nuclear waste products safely and swiftly to disposal points (at up to 20 miles per hour if needed).

Goods under manufacture can also be taken swiftly and cleanly from one process to another—for example paint and tobacco.

Tube systems larger than 250 mm. (10 inches) in diameter are perfectly feasible and at the present time the company is working with three clients, all in different industries, who require to move a 25 litre can, for process or sampling purposes. This system will require a 400 mm. (16 inches) tube and carry a load of 30 kgs.

No problems will be experienced "landing" the carrier at the receive station, as the large frontal area of the carrier ensures a soft cushion of air at arrival.

Even larger systems will be able to transport, economically, payloads of up to one hundredweight across short distances—a works complex for example—where the alternative would be to use run-about trucks. Systems using some kind of public network, perhaps alongside motorways and railways for mail, are a matter for conjecture at present but should now be looked at seriously as a method of light goods transport for the future.

The company is at Harbour Road, Gosport, Hants. (07017 87311).

Sends paper round buildings

DESIGNED for transmitting documents through a building or group of buildings is the automatic integrated container handling (AICH) system developed by Sovex Marshall, Carlton, Nottingham NG4 3DY (0602 249271).

Documents are carried in high density polyethylene containers fitted with code slider indicators, which are carried from floor to floor by continuously running elevators. Lateral movement is by belt conveyors. Containers can be loaded or discharged from side or front and loads carried can be 406 x 305 x 152 mm., weight 9 kg.

Each delivery station is equipped with one or more photo-electric units to read the selected destination of the passing containers. When a detector reads the correct code for the delivery station it controls, the container is removed from the system at that point.

● COMPUTERS

Plans for a better service

LOWNDES-AJAX, which has now been in the computer output on microfilm bureau business for five years and has about 15 per cent. of the market, has been updating its hardware and plans later this year to offer improved software.

Apart from an NCR Quantor machine the bureau now has two Pertec recorders and a pair of Kodak Versamat processors. Over 1,000 applications are being processed each month.

In addition it is hoped to make a better offering of the index management system (IMS)—software enabling users who update less than ten per cent. of their records daily to generate fiche on a more economical and useful basis, at a desirable frequency, aided by a suitable fiche index.

● PROCESSING

Pumps from Germany

TWO PUMPS, one for medium pressures and the other for low, have been developed by the West German Voith Group and are to be marketed in this country by its U.K. subsidiary, Voith Engineering, Ambassador House, Brigstock Road, Thornton Heath, Surrey, CR4 7JG (01-689 0741), later this year.

The medium-pressure IPM and the low-pressure IPN pumps complement the established IPH high-pressure range. Both are based on the internal-meshing gearwheel principle.

The IPM will be available in sizes between 3.6 to 36.3 cu. cm. delivery volume to operate continuously at 210 bar with a peak of 240 bar, the IPN from 40.8 to 160 cu. cm. delivery volume at 80 bar with a peak of 120.

Applications for the pumps include hydraulic presses, injection moulding machines, material testing equipment and hydraulic cranes.

Cools water to save it

MANY British companies are paying between 40p and 70p per 1,000 gallons for process water, depending on location—and frequently also paying to discharge it as effluent.

Delta-Neu has decided, in consequence, to start a sales drive for its cooling towers on the basis that with water costs still increasing and pollution control becoming more stringent there are now few cases in which installation of a closed loop cooling circuit cannot be justified as financially sound. Amortization of a cooling tower's initial capital outay can be as little as one year, the company asserts.

The Delta-Neu range will handle water flows of from 400 to 275,000 galls./hr. Each model combines optimum heat exchange efficiency, low noise levels and a high degree of resistance to corrosion and algae formation.

The company operates from 24, Station Road, Heaton Mersey, Stockport, Cheshire (061 4427500).

Properties of chemical compounds

CHEMICAL ENGINEERS designing process plant who are on the Honeywell Mark III time-sharing system can have access to 17 constant and 14 variable properties of 396 chemical compounds, together with the properties of a mixture of up to 20 components.

The data is compiled and the system operated by the Physical Property Data Service of the Institution of Chemical Engineers, 165, Railway Terrace, Rugby CV21 3HQ (0788 78214). It incorporates information collected by British Petroleum Chemicals International and by ICI, and uses the ICI-developed system for interfacing a data bank of physical properties with computer programs.

The bank is soon to be extended to 500 compounds, and the service may be used by engineers wanting to design a complete plant using a flowsheeting program with auotomatic accessing of physical properties, or by those just requiring a single point value.

River water for plant operation

INCREASING cost of towns water and the likelihood of a shortage this summer is behind the decision by a large chemical works in Northern England to instal M. and M. Doucet strainers, and separators to automate the treatment of large quantities of river water used for cooling and in processing. Three units have been delivered and a further two are under construction for the same customer. This is the first installation of this type of equipment in the U.K.

Jet filters fit directly into existing pipelines, incorporate a number of tubular elements of wedge wire laid in the direction of flow and each have their own flush valve operated by a central control panel. The flow of strained water is maintained during flushing. Flush water consumption is only 2 per cent. of total flow. Apertures of 400 microns are used.

Two of the units are fitted with banks of hydrocyclones surrounding the central jet filter for removing sand, silt and other impurities below 400 microns. These discharge heavy material to a collector which is automatically flushed at regular intervals.

Costs involved in purchasing and installing the equipment are quickly regained in terms of water consumption alone. The additional benefits of water conservation, continuity of supply from natural resources, river or sea water, and the reduction of pollutants are now considered the most important factors in the evaluation of water supply systems.

Mason and Marton, M and M House, Frogmole Road, Hemel Hempstead, Herts. HP3 9RW. (0442 63621).

Solution to a heating problem

EXCEPTIONALLY critical heating needs in the manufacture of plastics sheeting have been met by a special drum heater/controller system by Eltron (London). The heater has been supplied to the packaging and special films division of Commercial Plastics.

The continuous process run by Commercial Plastics produces sheeting for packaging applications, bags and decorative wraps, etc. The heating requirement in their process had in the past been met by open wiring ceramic elements, but these were found to be fragile and the delivery of imported replacements unreliable.

The 40kW heater designed and manufactured by Eltron is a stainless steel drum with reflector fitted with 45 Inconel-sheathed elements of 11mm diameter. The design problem was to provide the uniform heat essential for consistent sheet production, across the full drum width. Heat loss at the edges had to be compensated for. To achieve this, the Eltron reflector unit has three heat zones: 27 elements give 28kW of heat across the full drum width; 9 elements give 6kW to the outer 10 inches at each end, and another 9 elements give 6kW over 16 inches at each end.

Eltron, Strathmore Road, Croydon (01-689 4341).

● CONSTRUCTION

Pre-sealed board

BITUMEN coated roofing board for use in flat roof construction is totally protected against damage from moisture while stored on site, during laying, or from subsequent condensation.

Using a specially formulated bituminous compound the load-bearing particle board is weather proofed by being sealed on both surfaces and all four edges. Sealing is carried out on a purpose-built machine.

If insulation is applied above the deck, the bitumen coating acts as its own vapour seal, and once the joints have been sealed no further vapour seal (such as roofing felt) is required. The maker, Pre-Seal Roofing Company, Arch Lane, Garswood, near Wigan, Lancashire (0744 892446) says the board can be worked with the usual hand tools, and that an element in the coating prevents fouling of saw teeth.

Standard size of the board is 2,440 by 1,220 by 17 mm, but any thickness of particle board can be treated.

On stage anywhere

PROVIDING staging for a variety of applications, including theatres, assembly halls, community centres, television and cine studios, hotels, restaurants, trade fairs and conferences, and even for the circus, a system of adjustable modular platforms has been developed by Lodge Contracts, Trading Estate, West Molesey, Surrey (01-979 5236)—a Lodge Group company.

Constructed of aluminium, each platform measures 2 x 1 metres, and is faced with 25mm. coreboard covered with 21mm. bonded plywood treated to BS476. As an option, this can be surfaced with Excelon structured asbestos tiles, for non-slip and to reduce wear and noise.

Able to support a load of 2000 kg, the platforms can be adjusted to six heights—15, 20, 40, 60, 80 and 100 cm.—by a pantograph device operated by a cable from the platform edge. If necessary the platforms can be raked, and can be linked together to provide any size of stage.

● RESEARCH

Pictures formed in a liquid

Three IBM scientists have found a new approach to recording images. Like photography, it captures a picture by exposing a "film" to light. But instead of using photograph's chemically-based and irreversible development process, it "develops" latent images by applying an electrical field around the film.

Based on the electrochemical phenomenon called photo-induced electrochromism, the work started with the observation that transparent liquids containing organic molecules of the pyrazoline class, exposed to laser light, would form a faint blue-green image that became darker when subjected to an electric field.

The liquid film, held between two plates, retains the colour even after the field is switched off. However, if the direction of the field is reversed, the picture is erased and the recording solution is available for further image-forming.

Electrochomism—not a newly discovered phenomenon—is one in which certain materials change colour under the influence of an electric field. But this is the first time a reversible electrochromic effect has been induced by light.

The experimental cell in which the phenomenon was observed was formed by sealing the liquid between two sheets of glass, each of which was coated with a transparent layer of electrically conductive material.

Blue laser light cast an image on the cell and a faint pattern appeared in the areas where the beam had fallen.

A dc voltage applied across the conductive surfaces of the cell caused the image to darken by amounts proportional to the applied voltage and the duration of the run. For several minutes, the image persisted after the current was switched off and then it was found that reversing the voltage across a cell with a fully darkened image erased the picture in under a second.

Several dozen cycles were run before fresh solution was required.

The image formed in the experiments was a 2 x 2 inch line pattern commonly employed to test resolution and reproduction with photographic equipment.

A resolution of about 300 lines per inch was achieved with energy densities comparable with those used in exposing a medium-speed film in photography.

Possibilities are that it will be advantageous to record information with a finely focused laser beam to provide considerably high image-forming resolution than is possible with matrix-type electrochromic displays in which picture elements can appear only at points in a predetermined grid.

IBM, POB 218 Yorktown Heights, New York 10598, U.S.

● LIGHTING

Floodlights conversion saves cost

LATEST MOVE in the Osram "Fight Back" campaign (energy saving) is the introduction of a Solarstream conversion kit which is claimed to provide savings in energy, lamp and labour costs.

By converting 1500 kW tungsten halogen floodlights to SON-L high pressure sodium lamps the company says that up to £70/yr/fitting can be saved.

The conversion kit consists of a 250, 310 or 400 W lamp, lamp connectors and clips, control gear prewired in a weatherproof box and instructions for modifying existing fittings. The price of the kit (about £50) can be saved in under a year. Details from Osram (GEC), P.O. Box 17, East Lane, Wembley, Middlesex, HA9 7PG (01-904 4321).

First company in Europe to market high pressure sodium lamps, in 1966, Osram says it now has the widest range of such lamps currently available. Over the past ten years the company has spent £3m. on research, which has resulted, in the case of the 400 W lamp, for example, in a 60 per cent. improvement in life, a 32 per cent. increase in light output, and an 87 per cent. improvement in lumens/hr/penny.

● TEXTILES

Rotor spins long fibre

THE NEW open-end system of spinning yarns in which a number of intermediate processes are eliminated is rapidly gaining ground in a widening spectrum of the yarn-producing trade. Initially it was largely confined to the short fibre, cotton-type trade, but now it is reaching into the woollen and worsted area.

Because it is mainly dependent on a high-speed rotor which has to have a diameter greater than the length of the fibres being spun, the rotor system has had to work at slower speeds with longer fibres, but gradually it is demonstrating its worth and becoming accepted by spinners of these wool-type yarns.

The ITG 300 is a French development by SACM (British agent: B. L. Engineering, 11, Edward Street, Bradford BD4 7BH. Telephone: 0274 34185) which can produce yarns at speeds up to 120 metres per minute. A small unit of this machine is being installed in Bradford shortly in order to allow spinners to test it with their own fibres.

What is particularly significant about this new machine is that it can spin long staple fibre yarns into an extremely wide range of counts—and in the extremes it has now been shown to be suitable for spinning 6 denier acrylic fibre into Nm 3s, while at the fine end it has converted silk into yarn of Nm 60s. It will operate on woollen, worsted and semi-worsted slivers of all kinds.

● ELECTRONICS

Shows eight channels of logic

INTRODUCED to the U.K. market by Ortec of Luton is a logic analyser able to record and display eight channels of digital logic at speeds up to 50 MHz.

Interfacing with any standard oscilloscope, the Biomation 851-D can operate in a latch mode which enables it to catch single pulses as narrow as five nanoseconds. It can capture 512 words (one bit per channel, eight channels) placed before, around or after the trigger event. Two separate logic threshold levels for monitoring mixed logic families are offered.

Among the trigger facilities are one which fires from a combination of channels levels, and another which starts recording after any change occurs from a preset combination of levels. Dalroad Industrial Estate, Dallow Road, Luton, Beds LU1 1SU (0582 27557).

Wiring of complicated boards

MEMBRAIN, the British-based manufacturer of automatic test systems for electronic equipment, is marketing a complementary product, the MC500, for use in the wiring of very complex printed circuit boards and backplanes where high standards of precision are required.

Manufactured by CIT-Alacatel of France, one of the major suppliers to the French PTT, the MC500 has already achieved considerable success in Europe where several hundred of the machines have been sold. In addition Membrain has installed an MC500 at its own factory in Wimborne, Dorset.

Semi-automatic wire wrapping is up to 2½ times as fast as manual methods, as well as being considerably more accurate, and while only a quarter as fast as fully automatic methods, it is 10 to 15 times less expensive.

Membrain on 02017 6116.

First PO approval

GIM has become the first MOS microcircuit manufacturer to receive full Post Office approval as a supplier of microcircuits for use in P.O. equipment.

Post Office D4000 approval for GIM's Glenrothes, Scotland, production unit relates to the Metal Thick Oxide Nitride Process (MTNS). This was pioneered by General Instrument because of its rugged electrical characteristics and has now been accepted by the Post Office for use in telephone exchange equipment.

Approval procedures at the P.O. for MOS microcircuits are among the toughest in the world and comprise thermal and electrical overstress tests designed to simulate a 20-year life under the most adverse anticipated operating conditions. The specification was devised by Post Office engineers became of the great cost and difficulty of testing individual MOS LSI devices as required under conventional approval procedures.

GIM, 57, Mortimer Street, London W1N 7TD (01-636 2022).

HOME NEWS

Anglo-French talks on aerospace collaboration

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

LORD BESWICK, the chairman of the organising committee set up to prepare for nationalisation of the aerospace industry, is to meet General Jacques Mitterand, the president of Aerospatiale of France, on May 19, to discuss future civil programmes in Europe.

The meeting follows the deep concern expressed by many sectors of the U.K. aerospace industry, including workers represented in the Action Committee for European Aerospace, at the possibility of Aerospatiale and Dassault of France adopting future programmes in collaboration with the major U.S. companies, Boeing and McDonnell Douglas.

Such actions, it is widely believed in the U.K., could destroy any possibility of establishing a more closely knit European aerospace industry, and open the way of total U.S. domination of world airliner markets in the future.

Lord Beswick is expected to stress to General Mitterand that although the major U.K. aerospace companies, British Aircraft Corporation and Hawker Siddeley Aviation, are due to be nationalised under the Bill now before Parliament, they are still able to negotiate on future projects with their European counterparts and indeed are being encouraged to do so.

This means that Britain is anxious to play a full part in any future European civil airliner venture, and that nationalisation, although affecting the internal structure of the U.K. industry, does not in any way alter its ability or its intention of continuing with international collaboraton.

Lord Beswick has in fact encouraged the two U.K. companies to get together to harmonise their plans for future civil aviation developments and has asked them to prepare a working paper on this topic.

Mr. Eric Varley, Secretary for Industry, has also stressed that impending nationalisation should not inhibit the two companies from making proposals for future programmes for consideration by the Government and the Aerospace Organising Committee.

Minister pledges more freedom for State ship, aero companies

BY OUR AEROSPACE CORRESPONDENT

THE STATE-OWNED British Aerospace Corporation and British Shipbuilders "will have the same sort of commercial freedom as private sector companies, but subject of course to Ministerial control," according to Mr. Gerald Kaufman, Minister of State in the Department of Industry.

Writing in the latest issue of Trade and Industry, the journal of the Department of Industry, Mr. Kaufman said that the Aircraft and Shipbuilding Bill, now going through Parliament, commits the Government to greater industrial democracy in the industries concerned.

"This means that what is arranged should be derived from and reflect the views of the workforce; it should not be forced down their throats and we hope to see it grow in a strong and organic form."

Another major characteristic of the proposed corporations is the greater flexibility of the conditions under which they may operate.

"The Secretary of State, for example, will be able to alter the duties of the corporations in order to ensure that in a rapidly changing world, the corporations are not left under totally inappropriate obligations.

"We have also made it clear that we want to give the new corporations the greatest amount of freedom in decision-making as is consistent with public accountability and the government's own broad policy.

"We are totally against restrictions imposed on nationalised industries which put them at a disadvantage to any private company operating in the same sector.

"We have no intention of preventing nationalised industries taking up opportunities which make commercial sense just because these might lead them into activities whose scope was a little different from those in the original statute."

Mr. Kaufman also says that anxieties have been expressed about the effects of the corporations' trading practices on companies remaining in the private sector.

"There is no question of the corporations using their undoubted dominance in their respective sectors to discriminate unfairly against private sector companies."

Reunion flights to Australia

BY OUR AEROSPACE CORRESPONDENT

BRITISH AIRWAYS and Qantas, the Australian airline, have jointly formed the Australian Family Reunion Club designed to tap the fastest-growing section of airline business in the world—the 1½m. Britons who have relatives or close friends in Australia.

The Club will enable members to save for travel at a later date, or use a "fly now-pay later" scheme, in conjunction with Forward Trust, the City finance house.

Travel research by the two airlines shows that one in every five households in Britain has family ties or friends in Australia.

The AFRC will be the first airline-run family travel club in this country. If it is a success, it is likely to be followed by similar ventures by airlines anxious to tap the big ethnic markets that exist in other parts of the world.

Launching the scheme, which will cost £1 for everyone who joins, Captain John Lower, regional director of Qantas for Europe, said: "Our research showed that there was this staggering total of people in Britain who had an undeniably strong motive for wanting to visit Australia.

"In fact, if British Airways and Qantas were to organise an airlift of that 1½m. it would need a 747 Jumbo jet leaving London every hour for Australia between now and 1984 to complete the job."

Mr. Gerry Draper, British Airways Travel Division director, said: "Flights to Australia are still about the best value for money to be found anywhere. The price has risen only 60 per cent. in five years and it is difficult to say that about any other product."

In line with the new club, both BA and Qantas are providing 747 Jumbo jets this summer for club flights between the U.K. and Australia, with excursion fares at just over £500 return.

Maudling wins court battle with Granada

MR. REGINALD MAUDLING, "shadow" Foreign Secretary won his High Court fight yesterday to stop disclosure of evidence he gave in secret during the Poulson bankruptcy hearings.

Granada Television, which is being sued for libel by Mr. Maudling, had asked the Bankruptcy Divisional Court for an order allowing them to see a transcript of the evidence—without Mr. Maudling's consent—for use in preparation of their defence.

But Mr. Justice Walton, sitting with Mr. Justice Foster, said they had read the transcript and were unable to find anything in it which was material to the libel action.

The judge said Granada's allegation that, in refusing to allow disclosure, Mr. Maudling was using "two standards of the truth," was completely unjustified.

Mr. Justice Walton said the libel action arose from a "World in Action" programme screened in May, 1974, and entitled "Business in Gozo." That programme alleged that Mr. Maudling "played at times a crucial role in obtaining necessary contracts for Poulson."

Mr. Maudling took exception to that and issued a writ, alleging malice on Granada's part. Granada claimed that the facts were substantially true and were fair comment on a matter of public interest.

Granada was appealing against a bankruptcy registrar's decision not to let them see the transcript said Mr. Justice Walton.

Only in the most exceptional circumstances would someone not interested in a bankruptcy be granted leave to see a private transcript. The fact that the person who gave the evidence was bringing a libel action was not in itself a special enough circumstance.

The judge said: "If there were—to pitch the matter at its highest—an express admission by Mr. Maudling that he had been guilty of one of the matters alleged in the libel, this would be of such materiality that it would doubtless be necessary in the interests of justice, to allow inspection of the crucial passages."

The judges had reluctantly concluded that they should read the transcript to discover whether there was anything in it so obviously relevant to the libel action that it ought to have been disclosed. "We have been unable to discover any such material," said the Judge.

Granada was ordered to pay Mr. Maudling's costs and those of Mr. Poulson's trustee in bankruptcy who had been represented at the hearing.

British Oxygen to expand

By Our Own Correspondent

BRITISH OXYGEN is to expand its Middlesbrough plant at a cost of £15m. to meet increased demand from the British Steel Corporation. The plant produces 5,000 tons of oxygen and nitrogen a day and the expansion will increase this to 7,700 tons.

Asbestos rules raise cost of dismantling old power stations

BY DAVID FISHLOCK, SCIENCE EDITOR

ASBESTOS DUST hazards are now an important factor in the high cost — around £1m. per station—of dismantling old coal-fired power stations, as a result of the new asbestos regulations, says the Central Electricity Generating Board.

This was disclosed at a Foratom nuclear industry meeting in Madrid this week, when a "straw poll" among nations with nuclear power programmes showed that West Germany alone was making financial provision towards the cost of disposing of old nuclear power stations.

The question whether old nuclear plants would remain as permanently hazardous "monuments," because of their radioactivity, has been raised by those opposed to nuclear energy.

West German utilities are now required to set aside 2 per cent. of the capital investment in nuclear generating plant towards the eventual cost of disposal of the radioactive remains.

But senior CEGB officials in Madrid, while admitting that they were making no such provision, pointed out that the cost of dismantling redundant fossil-fuel stations had already reached about 15 per cent. of the original capital cost.

In this case the big hazard is asbestos dust, arising from the extensive use of asbestos in insulating steam pipes, which because of the age of the stations—25 years or more—is suspected of containing some of the particularly hazardous blue asbestos.

Maintenance work over the lifespan of the station has reduced the asbestos at many points to a fine dust. Moreover, some of the sites are urban locations — for example, the CEGB is planning to pull down stations at Barking and Fulham in London, and one in Brighton.

But the CEGB has been carrying out its own studies of the problem of dismantling old nuclear stations, even though it does not expect to meet the problem before the late 1980s or 1990s. Its first nuclear stations, at Bradwell and Berkeley, were commissioned in the early 1960s.

Present indications, after 18 months of studies, are that it will be possible eventually to raze the station entirely and recycle all of the concrete and steelwork. But for the reactors themselves this will require a "cooling off" period of several decades once the fuel has been removed.

Radiation hazard

The main radiation hazard will be created by traces of cobalt, an element almost impossible to eliminate from commercial steels, which becomes intensely radioactive in the reactor. But the CEGB now believes that after 60-70 years, the radioactivity will have decayed to a point where the steel could be recycled as scrap, and the concrete crushed and used for roadworks.

Utility executives also point out that under the terms of the U.K. Government's nuclear site licences, they are required to take responsibility for the site until it is free from all radioactivity. In practice this means that the state-owned U.K. utilities will continue to develop and use their nuclear sites virtually in perpetuity. In the case of West Germany where the utilities were privately owned, the provision against the cost of dismantling will help to ensure that the company cannot walk away from its obligations towards a particular site.

Scottish Labour call to appoint Minister for Glasgow

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

THE BREAK-AWAY Scottish Labour Party, launching its first election campaign since its formation at the beginning of the year, yesterday called for the appointment of a Minister with special responsibility for Glasgow.

The party said that Glasgow's combined problems of poor housing, high unemployment and the worst indicators of urban deprivation in the U.K., placed the city in a special category requiring a unique scale of assistance.

A Minister for Glasgow should be appointed within the Scottish Office and be directly responsible to the Prime Minister. He should be the "hustler" for the city, making sure that additional resources were allocated, and overseeing a 10-year comprehensive redevelopment of the city.

The proposal was made by Mr. Joe Farrell, a Strathclyde University modern languages lecturer, who has been selected as the SLP candidate for the June 1 Glasgow district council by-election in Labour's Darnley ward.

The by-election has been caused by the recent conviction and imprisonment of Baillie Gordon Kane, who was deputy leader of the ruling Labour group on Glasgow District Council. He was convicted of falsely claiming loss-of-earnings allowances as a councillor.

This circumstance, plus the fact that police investigations are continuing into other aspects of alleged corruption in the city, has prompted the new party to make an issue of what it calls "the moral and political bankruptcy of the old Labour Party."

Mr. Alex Neil, SLP's general secretary, said that the theme of his party's campaign would be that it was time for a "fresh start" not least on the whole question of the morality and integrity of government in Scotland. "We want to clean up the city chambers," he commented.

The by-election will be an important local test of the SLP's capacity to attract votes from both Labour and the Scottish National Party with its demand for a strongly devolved Scottish Parliament within the continuing framework of the U.K.

Optimistic forecast for streamlined merchant fleet

AN OPTIMISTIC forecast for a streamlined British merchant fleet was given yesterday by Capt. William Lucas, general secretary of the Mercantile Marine Service Association.

He told the annual meeting in Liverpool of the association, which represents the interests of British ships' masters, that the industry did not appear to present a very exciting picture with ships being laid up, sold or scrapped and orders for new tonnage cancelled.

The number of members losing their jobs was also increasing and many others feared their own redundancy ahead. But he did not believe that the picture was entirely black.

"The British merchant fleet is composed mainly of modern ships and while some of the older ones have outlived their usefulness and yet might not be replaced immediately, new ideas and new types of tonnage are being developed as replacements.

"The important question is what will be the size of the British merchant fleet in future?" he asked.

Capt. Lucas said that in 10 years it might be half its present size, but despite this reduction, if it was efficiently run and properly manned by highly qualified seamen and officers, there would be an assured future.

If the industry, with the expertise and skills accumulated through years of trading and sailing, got its priorities right, determined its future requirements, and showed that young officers had assured careers, British ships would still carry full cargoes in the years ahead.

Spreckley debts may exceed £11m.

POSSIBLE debts of £11.4m. were disclosed at the first meeting of creditors of Spreckley Building Services in London yesterday and assets were valued at £181,843.

Assistant Official Receiver, Mr. Edwin Ebsworth, said that in 1972 the company took over the assets and liabilities of a number of companies in a building group. It became responsible for at least 40 contracts in varying stages of completion and employed over 100 skilled men, many of whom were treated as self-employed, on sites in Manchester, London, Nottingham and Essex.

Delays and rising costs and unexpected technical problems put the New Malden, Surrey, company in difficulties. It appeared that the size of the debts was due to cross guarantees entered into by Spreckley.

The company, which was wound-up on March 8, accepted responsibility for the debts of other companies in the group. The matter was left with the Official Receiver.

BOOKS

Success saga

BY C. P. SNOW

Steinbeck: A Life in Letters. Edited by Elaine Steinbeck and Robert Wallsten. Heinemann. £8.00. 906 pages

The life of John Steinbeck reads like a parable of contemporary American literary success. Born into a comfortable middle-class family: failed to complete a conventional education: played with a variety of pointless jobs, all the time having the intention (entirely honourable) to live by writing and nothing else: poverty until his mid-thirties, then sudden and enormous commercial success (*Of Mice and Men, Grapes of Wrath*), gigantic income thereafter, financial worries on account of three marriages: periodic heavy drinking; Nobel prize, award denounced by factions in literary New York: decline of creative impulse, *decline of health: death at sixty-six.*

These letters tell a good deal of that story. A collection of nine hundred pages takes some justifying, though. If a writer is genuinely eminent, then maybe all his letters should be printed, even if they are as dull as writers' letters tend to be. Alternatively, though not often, letters of some writers are worth printing for their own sake (as with Keats, Byron, D. H. Lawrence).

Steinbeck seems to come betwixt and between. As a writer, he wasn't genuinely eminent, though much better than his detractors allowed. He operated somewhere in the no-man's land between naturalism and symbolism, which isn't one of my favourite territories, but which gives scope for a certain kind of simplifying imagination — or sometimes fancy. That was also true of Hemingway, more original than Steinbeck in verbal treatment (though both had a curious addiction to the Steinian repetitive stutter—why did this seem to their generation in America so peculiarly magical but not elsewhere?) There is a profound danger lurking beneath their kind of symbolic simplification. Underneath the tough or defiantly obscene veneer, there is authorial sentimentality yawning below. Steinbeck himself, who thought seriously about the writing life, says that when a writer has established his technique it not only determines how he writes but also what gets written. Many people will recognise the truth of that.

The letters, which contain a fair number of such professional insights, are not sparkling but, since he was a lonely man, often confidential and appealing. Some of the best are to his literary agent, Elizabeth Otis, with whom he had apparently the only untroubled relation—both business and emotional—in his life. She managed him with admirable sensitivity, and it is a pity that we haven't her letters in reply. Some might be more interesting than his own.

On the evidence of these epistles, he seems to have been a more amiable man than his more megalomaniac colleagues Hemingway and Faulkner, and he was generous towards them, even when irritated by their pretensions. He sustained the difficult feat of getting on well with John O'Hara, who was about as touchy at a writer can reasonably be, which is saying a good deal.

Steinbeck was, on the whole, well disposed to his fellow human beings, but not a specially perceptive judge of them. He was surprised, or at least persuaded himself that he was surprised, when in succession his first two wives revealed that for years they had found him intolerable to live with. He was lucky in his third marriage, apart from some alcoholic quarrels, and it is Elaine Steinbeck who organised this collection of letters as a labour of love. But, though he was capable of much kindness and good feeling, he must have been obtuse in many human relations.

For instance, he knew Adlai Stevenson intimately, and yet there is nothing he says in these letters, either to or about Stevenson, which tells us any more than the commonplaces of a decent liberal well-wisher—compare the clear-eyed inspection of J. B. Martin, Stevenson's recent biographer. Perhaps the most clumping example of obtuseness is Steinbeck's letter to his step-daughter when he heard of her engagement. This was entirely well-intentioned. It was composed as the utterance of a wise, ageing man. It would have put any reasonably fine-nerved girl off marriage for good. In historical fact, that particular marriage lasted, even by the standards of the Steinbeck circle, a remarkably short time.

One minor mystery, recalled by reading a recent article by Alfred Kazin on American literary alcoholism. Why have so many of the most successful American novelists drunk themselves silly?' Lewis, Fitzgerald, Hemingway, Faulkner, O'Hara, Steinbeck—the list goes on and on. By any ordinary criteria, they had great good fortune. They achieved fame and wealth, and despite the switch-backs of literary reputation as much réclame as writers can expect. And yet there were so many self-destructive casualties. Heaven knows, over here we have no cause to be self-righteous about alcohol, but in England there is no equivalent phenomenon amoung writers of similar stature. It is puzzling, and it baffles Kazin as much as everyone else.

Modernist apologia

BY MARTIN SEYMOUR-SMITH

Notes for a New Culture by Peter Ackroyd. Vision Press. £3.40. 152 pages

Peter Ackroyd is a polemic modernist: his book is invigorating as a series of "notes," though the intelligent English reader unversed in recent French criticism will find it difficult to follow. It is tribute to his perspicacity and rare intelligence that, for those who can follow him, it raises questions which require answering at a length certainly not less than that of his own book.

For Peter Ackroyd, who seeks to "counter the malaise of English literature," the obsolete humanism of critics stands between reader and book: the autonomy of literary art, which is language "*as experience* in itself," is denied. He traces out a "secret history" of modernism, which he sees as presuming a death of "Man" in his reprehensible self-conceived idea of himself as searcher for origin and goal.

Language [he writes] manifests itself when it ceases to identify with "truth" or "meaning," and it may be that man will fully recognise himself when he ceases to search for an origin or goal.

He sees the concept of modernism as beginning in the late seventeenth century, with the battle of the "Ancients and Moderns" as "the most obvious symptom of a vast transition." He lends this notion some merit. But others may as convincingly see the origins of the concept (if not the word), not merely in Rabelais and Cervantes, but in ancient Greece: or they may see it in a certain (much challenged, *but still viable*) view of what has come to be known as "Baroque"—a "permanent, if varied, form of human expression," in which "modernisms" keep reasserting themselves. It is at least interesting to consider Peter Ackroyd's rather absolutist polemic as just such a manifestation.

But what, the reader may well ask, is this polemic about? First, it concerns what the French critic Roland Barthes calls "writing degree zero." For Barthes, as for Ackroyd, modern poetry should be "inhuman," unconcerned with coherence, leading towards silence, "to the doors of a world without literature about which, however, it will be necessary for the writers to testify." And "writing degree zero" has no "voice" (no stamp of the author's personality), and discloses the human condition with a mathematical purity.

Secondly, it is concerned with the French *nouveau roman* (of which Barthes approves). For Robbe-Grillet and other "new" novelists anthropomorphism, the pathetic fallacy, is intolerable: we must understand, they in effect tell us, that "the world is *not for us.*" *Our relationship* with it is therefore an illusion.

Thirdly, it is at least in part structuralist: it is, to over-simplify, interested in the underlying structure of human behaviour, or aspects of it, rather than in function, or sequence, or cause and effect. Lévi-Strauss in anthropology and Noam Chomsky in linguistics are the most famous exponents of this approach—and Ackroyd's failure even to mention the work of the latter considerably weakens the force of his argument. Fourthly, it is based in phenomenology, a type of philosophy which has found (with a few honourable exceptions) little response in Great Britain.

Since the author is cursory in his discussions of individual writers, he can often mislead. His account of Lévi-Strauss is over-selective and tendentious: although not uncritical of him, he conveys no sense of awareness that Lévi-Strauss is highly inconsistent. His discussion of *Husserl's phenomenology* is too brief and too recondite, especially in view of its central importance in his argument. Ackroyd's writing rather too often reminds us of that famous sentence written by Heidegger (whom he also discusses—and not humorously enough): "Nihilation is neither an annihilation of what-is, nor does it spring from negation . . . . Nothing annihilates itself."

There are odd errors. Even if Arnold Bennett is considered execrable his name should be properly spelt. Lévi-Strauss deserves his acute accent; nor did he write a book twice referred to as *Tristes Topiques*—it is *Tristes Tropiques*. Was "most of [Eliot's] verse drama [written] before starting on *Four Quartets*," and does *The Cocktail Party* (first performed 1949) "anticipate many of its themes?"

Yet a criticism or a readership that leaves such books as this one out of account is an impoverished, indeed an intolerable, one. For what Ackroyd asserts is at the least relevant, and, as he insists, our literature ignores it. His brilliant account of Joyce demonstrates the importance of those terms—and his fundamental grasp of them. I therefore welcome and recommend his book—and only wish I could argue (and often agree) with him over a longer space.

Jingo arrives at the London Zoo in 1882, a drawing from "The Illustrated London News," reproduced in "The Ark in the Park"

Creatures great and small

BY MICHAEL THOMPSON-NOEL

The Ark in the Park: The Zoo in the Nineteenth Century by Wilfred Blunt. Hamish Hamilton. £7.50. 256 pages.

London's Zoo compiled by Gwynne Vevers. The Bodley Head. £4.95. 159 pages

Ever since 1828, when the Zoological Society of London opened a zoological garden in Regent's Park and walking in the zoo became the OK thing to do, the Society's animal collection has been as much a fixture of the London scene as Tower Bridge or the Drury Lane Theatre.

The Society is now celebrating its 150th anniversary, and Mr. Blunt's book provides a scholarly and entertaining account of its early years, its development, its initial calamities—such as the death of Mumbo, the zoo's first gorilla, who was put on a diet of beer and sausages and expired shortly after—and of its steady expansion into what is still to-day one of the world's most outstanding zoos.

This is a delightful volume, worth every penny of the price. It is both expertly researched and luxuriantly illustrated with contemporary drawings, among them the works of John Gould, Edward Lear and Joseph Wolf.

Among the zoo's earliest triumps were four giraffes from the Sudan: the now extinct quagga: a great ant-eater, and, most intriguing of all, young Obaysch, the first hippopotamus seen in England for half a million years. London was swept by a hippo craze. The Hippopotamus Polka was the rage of every London drawing room and hippo breast-pins were worn. Obaysch was bought for £350, yet failed to captivate Macaulay, who wrote: "I have seen the Hippo both asleep and awake, and I can assure you that, asleep or awake, he is the ugliest of the works of God."

For *London's Zoo*, Dr. Vevers has compiled an absorbing anthology of quotes, reports, anecdotes and contemporary accounts covering all aspects of the zoo's development, including unpublished records of the Society, contemporary Press cuttings, letters and literature.

One of the more profound *delights of this book is a suitably* documented description of the arrival and subsequent loss of Jumbo, the celebrated African *elephant, who arrived at the zoo* in 1865 in a filthy and miserable condition and who eventually became, like all adult bull elephants, difficult and dangerous.

He was sold to Mr. Barnum, the American circus entrepreneur, and his departure released a flood of Victorian sentimentality. The Pall Mall Gazette of February 21, 1882, implored:

"Is this the way we recompense our oldest friends, those best benefactors who have given us the one boon which is without alloy—hearty and innocent enjoyment? After all the children he has so patiently carried, all the buns he has so quietly and graciously received, is he to be turned out at last to tramp the world homeless and unbefriended? What a commentary on our pennyworths of insincere affection!"

Despite the ravages of inflation, which are to-day playing havoc with the lions' feeding bill, walking in the zoo is still the OK thing to do, and each of these books provides essential and delightful background information. They should be required fixtures on any nursery coffee table, so long as the adults have access.

Fading friendship

BY KEVIN RAFFERTY

The Erosion of a Relationship: India and Britain since 1960 by Michael Lipton and John Firn. OUP for the Royal Institute of International Affairs: £13.00. 427 pages

India was not long ago the brightest jewel in the imperial British crown: to-day, who cares about India? Not many people—we have enough problems trying to forget our own fate.

Michael Lipton and John Firn trace the decline of this relationship between India and Britain. Trade has fallen almost headlong. A hundred years ago India was responsible for 10 per cent. of Britain's trade; to-day it has slumped to 1.5 per cent. From India's point of view, Britain has been surpassed by both the U.S. and USSR. Some of that decline was natural, part of shrugging off the roles of colony and colonialist. Britain as a declining ex-power has chosen closer ties with Europe; India as a growing country has sought ties with more important countries and naturally enough moved very close to the Soviet Union when the U.S. let it down in 1971.

Part of the Lipton-Firn thesis in this excellently documented (but appallingly expensive) book is that the process has gone too far, sometimes ludicrously so. They cite the negotiations for the British entry to the Common Market when Whitehall's men fought harder for trade concessions to Mauritius than even for trade *discussions* (their italics) with India.

Does it matter? Circumstances since the Emergency have of course changed, but I gather that there is satisfaction in New Delhi that by shutting out the main India specialists of the British press India has shut up irksome criticism of it. Perhaps we in the press should not unduly complain. Looking at the events about India which have made the British and international press, they have been dominated by war, famine, misery. We have waited like vultures for the next disaster. And for India to grab the big headlines it has had to be grand-scale disaster.

But to reduce the ties even further is very much the mistaken response of the prickly Brahmin pride. If Indo-British relations are to be improved, India needs more and more attention, not less and less. It needs attention which will get beyond the trivial, will recognise the quality and sophistication of India's industrial products, will report the famines but also the humanity and originality of the Indian peasant farmer. Britain has a key role because it is the former colonial power and knows India: it also can have no great power pretensions of its own and could provide a bridge between India and the rest of the world to see that India's claims for trade and aid are properly heard.

India is part of the poor world. It has enormous problems of population and development. But it would be a grievous calumny to present India as hopeless or backward, as it has been so often presented. There can be no comparison for example between India and so-called banana republics or "comic opera" developing countries. India has a rich history, a hardworking people and a talented civil service. It offers a test of the often proclaimed conscience of the west, and so far the west has been found wanting. Aid has been given, but in small amounts; trade opportunities have been begrudged and fought every inch of the way. Press and politicians of both countries have proved men of pigmy imagination.

Opal minds

BY B. A. YOUNG

Wandering Abroad by Jeffery Amherst. Secker and Warburg. £5.50. 224 pages

All People are Famous by Harold Clurman. Harcourt Brace Jovanovich. £4.65. 327 pages

"May thy tailor make thy doublet of changeable taffeta," said Feste to Orsino, "for thy mind is a very opal." Lord Amherst wears his mind on his sleeve in this happy autobiography, and a colourful opal it is, almost chameleon-like, though Lord Amherst changes his colour when he wants to, not willy-nilly at the dictates of his background.

A conventional well-connected youth took him through Eton and the Coldstream in the First World War (he won an MC but tells us nothing of that). Less conventionally, he then set himself to sell bonds in New York, but a restless cast of character resulted in a move to the New York World, first as a reporter, then as a theatre critic under Alexander Woollcott.

That job having gone in the depression (while he was going round the world with Noel Coward), Amherst was asked casually by Sir Sefton Brancker, "Why don't you go in for aviation?" So he learnt to fly and became a civil airline pilot. A little old for fighting in the second war, he spent much of it on the Staff in Cairo, one of the "gabardine swine," and makes it sound as much fun as New York five years before. Then to BEA to organise flying for others.

The book is a rich repository of good stories about amusing people, mostly theatrical. The recollections of New York 50 years ago are particularly engaging.

Harold Clurman, far more deeply involved in the theatre world, is a more sombre opal. He calls his book "instead of an autobiography": it consists of pen-sketches of the people in his life, but so artfully contrived as to emerge as a self-portrait. Not a flattering one; he seems arrogant, self-indulgent and humourless; when he takes the opportunity of recounting one of his own obiter dicta the chances are that it will be notably uninteresting.

However, this must be the portrait he wants us to see. Beyond it there is an interesting man. With Aaron Copland he spent some young years in the Paris of Joyce and Sylvia Beach and Hemingway ("he spoke in a surprisingly piping voice") and picked up a polymath culture which he later put at the disposal of the American theatre.

There he divided his time between criticism and performance, a division some people find mistaken (though always making an exception for Shaw). Clurman was a director of distinction, whose early work with the Group Theatre between 1928-41 was specially valuable with its productions of Odets and Irwin Shaw. What I've read of his criticism (a fine collection of essays was published two years ago under the revealing title *The Divine Pastime*) does not reflect the orotund nature of his self-portrait. Like most of this quasi-autobiography, it is perceptive and sympathetic: and if they are both rather strongly subjective, this is how a critic ought to write, for his opinions are his most valuable stock-in-trade.

Fiction

Diamond is forever

BY ISOBEL MURRAY

Legs by William Kennedy. Jonathan Cape. £3.50. 293 pages

The Sun's Net by George Mackay Brown. The Hogarth Press. £3.75. 268 pages

The Seven Day Soldiers by Tony Kenrick. Michael Joseph. £3.95. 215 pages

Found, Lost, Found by J. B. Priestley. Heinemann. £2.90. 135 pages

Prevailing Spirits: A Book of Scottish Ghost Stories edited by Giles Gordon. Hamish Hamilton. £3.50. 216 pages

Strike! by Douglas Sutherland. Heinemann. £3.90. 246 pages

Jack "Legs" Diamond remains one of the outstanding legends of the bootlegging, criminal heyday of the American twenties, and is such an obvious subject for a fictional treatment that now William Kennedy has done it so brilliantly, it is hard to understand why it wasn't done before. Kennedy is not above learning from other people's successes, and the method in this book is in essence similar to that used by Robert Penn Warren in *All The King's Men*, when he rendered the legendary Huey Long through the eyes of a loyal but relatively detached follower. It worked for Penn Warren, and it works for Kennedy, who transforms the method in his rendering of Marcus Gorman, the narrator and Diamond's attorney, and in his rendering of Legs himself.

Gorman is witty, dry, moody, changeable, and reacts vividly and emotionally to Diamond, to ladies in particular, and to the dangerous but entrancing excitements of the criminal underworld. He endeavours to keep his own hands if not morally clean at least technically so, and he attempts to analyse the spell Diamond casts over him and over the huge American public that became his adoring fans. Diamond acts out the nation's fantasies: Diamond with Capone, Luciano and the rest created the violent world of American cities which is still with us. Gorman calls him "a pawn of the entire decade" and "an ancestral paradigm for modern urban political gangsters," although he refuses to trivialise him by comparisons with minor modern figures like Richard M. Nixon.

Diamond's life needs no dramatising: it is full of violence (the famous shoot-out at his Hotsy Totsy Club, kidnappings, disappearances and Diamond himself more than once riddled with bullets), full too of courtroom dramas, corrupt politicians, massive consignments of illicit liquor and fascinating love interest. Legs was pulled between his wife Alice and his extraordinarily beautiful mistress Kiki: as usual, he managed for longer than anyone deserves to have the best of all possible worlds, and even at one time had them both living with him, in at least surface amity. Kennedy has done a superb job in his rendering of this crazy legend, this mad but real decade of American history, and his book reeks of the authentic atmosphere and sparkles with glamour and wit.

William Kennedy: back to bootlegging

Two of the most interesting stories in George Mackay Brown's new book *The Sun's Net* are also inspired by a legendary criminal, the eighteenth-century Orcadian pirate Jack Gow. "Perilous Seas" describes with real shock and violence the mutiny that made a shipload of men outlaws and murderers and thus pirates, and the deceptively quiet but powerful Gow who led them, and "The Pirate's Ghost" describes a later visit to Orkney, the ravages committed on the islands, and Gow's love-making with a local girl who, after his gruesome execution is supposed by legend to have travelled to London for a final handclasp, to be free of his spirit. Strong stuff this, and told with Mackay Brown's usual clear stark prose.

I recommend the book strongly, and see it as a real advance in Mackay Brown's already distinguished achievement in the short story. Appropriately, Chatto are simultaneously including a selection of his poetry, *Winterfold*, in their Phoenix Living Poets series (paperback, £2.25).

A funny crime novel—if it is funny—makes a pleasant change, and I thoroughly enjoyed Tony Kenrick's *The Seven Day Soldiers*. Three middle-aged Americans falling into the credit gap hit on a brilliant and apparently risk-free method of robbery. Unfortunately, they are far too successful, and unwittingly steal gigantic sums of money from the ex-dictator of a Caribbean island whose private army they must learn in consequence to meet—in seven days. Our heroes are entertaining and believable, the baddies so unreal that we can watch them being blown up in numbers without a twinge, and the whole book manages most expertly to combine real thrill and suspense with comic absurdity.

J. B. Priestley subtitles *Found, Lost, Found* "or, The English Way of Life." It is an elegantly gentle comic story about a civil servant on his way to drowning himself in gin. The simple pivot on which the novel turns is Tom's meeting and falling in love with Kate, who announces that she is going to disappear and challenges him to find her. His pursuit involves Kate's peculiar relations and an improbable but entertaining series of travellers he meets on trains. The book is written in the controlled cool and witty way we expect from Priestley, and makes a very pleasant read.

In brief, two more Scottish offerings. *Prevailing Spirits* is a very uneven book. It is a set of twelve commissioned ghost stories by accomplished Scottish writers who are more or less at ease with the area of subject matter. Among the contributors are Antonia Fraser, Cliff Hanley, Iain Crichton Smith and Gordon Williams, and every reader should find at least several stories that appeal. Douglas Sutherland's *Strike!* I found cynical about politics, about people, about sex and about his readership (he brings in a little slap and tickle whenever the political action slows). The background seems to this Scottish reviewer utterly non-authentic.

Crimes

BY WILLIAM WEAVER

Hollywood and LeVine by Andrew Bergman. Hutchinson. £3.50. 216 pages

Mr. Bergman's blithe first novel, *The Big Kiss-Off of 1944*, introduced Jack LeVine, a Jewish Momma's answer to Sam Spade. LeVine was much too good to drop after one adventure, so here he is again in the Hollywood of the immediate post-war, only weeks before the McCarthy period. Murder, evil, wisecracks, and (discreet) sex are skilfully blended. And some real characters—including a pushy young California Congressman whose initials are R.M.N.—mingle with Bergman's invented ones.

Witness my Death by Roy Lewis. Collins. £2.95. 190 pages

This time Mr. Lewis does without his successful Inspector Crow. But the success of this book is equal to that of its predecessors. Taliesen Rees, doctor, widower, has devoted all his time and energies to the people of a Welsh mining valley. Superficially, a full, blessed life. But things turn sour, and the valley becomes the scene of several different kinds of wickedness: slander, corruption, rape, murder. Almost accidentally, Dr. Rees has to get to the bottom of it all. He risks his life, but finally saves and enriches it. *A neat, quiet narrative.*

The Delta Knife by Kenneth O'Hara. Gollancz. £3.00. 160 pages

Your wife disappears, her blood-stained clothes are found, charred, in the incinerator, a snoopy neighbour has observed some of your actions which, to the police, sound suspicious (and your explanation sounds particularly feeble). So what do you do? You find your wife. But if she is then murdered? Kenneth O'Hara sets down the elements of his plot like an expert mason laying bricks. Each incident leads naturally to another. The complication, however, is never excessive, never tries the reader's patience. Admirable.

Double Deal by Martin Russell. Collins, £2.95. 181 pages

Brilliant plotting. Cain's *Double Indemnity* redoubled, trebled. Bitten biters bite back. Peter Connors, a journalist who is less than a credit to his profession, has been living more off luck than work. His luck runs out, first with his woman (he has two, neither his wife), then with his job then with his murdering. Breezy and sinister at the same time. Another product of Mr. Russell's admirable professionalism.

A Little Local Murder by Robert Barnard. Collins. £2.95. 190 pages

As he demonstrated in his unusual first novel, *Death of an Old Goat*, Robert Barnard has an individual talent and a gift for devious invention. In his second book the donnée is appealing: a village full of particularly nasty people is to be the subject of a radio documentary, and the villagers promptly start jockeying for inclusion in the broadcast. The murder, when it comes, at first seems excessive, but the author justifies it splendidly. Fun to read, though the humour is sometimes over-compulsive. In his next book, Mr. Barnard can afford to relax.

Civil Servants vote against incomes policy

BY CHRISTIAN TYLER, LABOUR STAFF, IN MARGATE

ONE OF the first union conferences to debate incomes policy after announcement of the new pay guidelines showed yesterday that its activists wanted no part of the Chancellor's deal.

Although debating a resolution framed many weeks ago, speakers at the conference in Margate of the biggest Civil Service union, the Civil and Public Services Association, attacked the 4.5 per cent. limit as a further and unjustifiable cut in workers' living standards.

The 1,200 delegates overwhelmingly backed their national executive's opposition to the incomes policy, and voted against "any form of policies which mean unemployment, public expenditure cuts and a reduction in living standards."

However, because the guidelines approved by the TUC General Council on Wednesday had emerged so recently, the CPSA executive had decided before the debate that the decision would not be binding on the union for the special TUC on June 16.

The deal will be put to special meetings of the union's 900 branches over the next few weeks.

Yesterday's vote makes it more than likely that the executive will recommend rejection by the branches when it meets next Thursday to analyse the guidelines.

The CPSA conference has always opposed incomes policy, but this is the first time that branches have had the chance to vote directly on the issue. They may swing the union behind pay curbs despite yesterday's conference opposition to incomes policy.

After the debate Mr. Ken Thomas, incoming general secretary, said: "We have heard from the activists at conference. Now we have to hear from the rank-and-file. The executive's decision to consult the membership will provide that opportunity."

Only two speakers in the debate, both women, called on the union to accept pay restraint. They said higher wages did not mean more buying power if inflation went unchecked.

Point of order

There was a brief resurgence of the union's political infighting when during a speech in support of the resolution from the platform by Mr. Alastair Graham, the Left-wing assistant general secretary, a leading Right-wing member of the executive, Mr. Charlie Elliott, was heard to shout "Bullshit" from the back of the hall.

This led to a point of order, considerable uproar and no less considerable embarrassment on the faces of some on the platform because of the presence of investment."

North-West miners' delegates meeting rejects TUC pay deal

BY OUR LABOUR STAFF

AN EARLY grass roots reaction to the TUC's proposed pay deal with the Government provided a nasty shock for some miners' leaders yesterday when a conference representing nearly 10,000 miners narrowly refused to support the next stage of a voluntary incomes policy.

The surprise decision was taken by delegates from the North-West area of the National Union of Mineworkers who voted in Blackpool 104 to 100 against a bid by their area leaders to get full backing for the TUC general council's policy.

This was an unexpected snub from a comparatively small area that normally takes a moderate line on controversial issues inside the NUM and is rarely found on the side of the militant extremists.

It was, however, a foretaste of how difficult it might be for prominent trade union chiefs to sell the TUC policy to their rank-and-file members during the next few weeks.

A few hours after the proposed pay pact had split the conference wide open, however, the delegates heard a fervent plea in favour of accepting it from Mr. Lawrence Daly, the Left-wing general secretary of the NUM, who has often in the past been an angry critic of pay restraint.

Mr. Daly along with other Left-wingers like Mr. Hugh Scanlon of the Amalgamated Union of Engineering Workers, voted in favour of a deal with the Government to help fight inflation in the TUC general council on Wednesday.

Yesterday Mr. Daly told the delegates: "I see you have been having fun with the pound. I have no doubt that there will be those in the field of international monetary speculation who will either be buying or selling this or that currency on the basis of your decision this morning.

"I was disappointed but I must honestly say I was not terribly surprised by it. I think it will be difficult to sell this policy to the miners as it will be to many other people, and in the long run that is not a bad thing.

"I would not like to see us get into a situation where in future years a few people from the TUC and the Government can get together and simply say to the rest 'that's it.' A yes-man's society of any type is not, and cannot be, a socialist society."

Mr. Daly added: "Therefore, I think the trade union movement, the Government and the Labour Party are going to have to do a very effective job in explaining why in their view it has been essential to ask for co-operation in such a policy for another year. Admittedly it is rough justice."

Estimating that for the miners the proposed new pay scales would mean rises ranging between £2.50 and £3.35, he said: "I am not particularly surprised that you should be reluctant to give the go-ahead to that."

Praying

Dealing with the demand for £100 a week for coalface workers that will come before the NUM annual conference in July, Mr. Daly said: "I don't think there is any disagreement that we want £100 at the coalface, but the question we have to ask ourselves is '£100 of what?'

"I am for £100 of real money, and not £100 of worthless paper, and that was the situation for which we were heading in the middle of last year. Something had to be done."

He underlined his view that it would be a bad mistake for the miners to say to other unions "thank you for your support in our victorious struggles in 1972 and 1974 but we don't want to know you now."

It might be possible for the miners to go it alone successfully Mr. Daly conceded but for many years they would lose prestige and respect inside the trade union movement and would become isolated. He predicted that if a ballot were taken in the coal fields on whether to accept the latest TUC-Government deal on pay, a substantial majority of NUM members would say "okay."

Mr. Daly warned: "If there is any person in Britain to-day who is praying that the trade unions will not reach agreement on economic policy with the Government it is Margaret Thatcher, and if there is one person who is praying that if there is going to be a guerilla break-out it will be the miners, it must surely be Edward Heath."

To some extent the narrow vote in the conference against the TUC wages strategy—taken on a card vote after a tie by show of hands—was bad timing.

The matter was put to the conference early on by Mr. Syd Vincent, the North-West NUM area secretary, who was opposed by some demanding free collective bargaining. But the embarrassment might have been avoided if the vote had been taken after Mr. Daly's eloquent appeal.

Ministry men attack closed shop

By Our Labour Staff

OPPOSITION to calls for a closed shop in the Civil Service came yesterday from the Institution of Professional Civil Servants, which is seeking affiliation to the TUC, on the final day of its annual conference at Eastbourne.

A motion opposing the closed shop principle was carried despite assurances from Mr. Bill McCall, IPCS general secretary, that no shop would be introduced which did not allow exemptions on grounds of conscience and that had not first been approved by the conference.

The conference also supported a motion calling for open reports on staff on which promotion is based. Delegates were concerned that inaccuracies and bias could be included in these annual reports without giving the civil servant the chance to correct them.

But other delegates feared that open reports would lead to an unofficial system of secret files in their place.

Lucas company not to diversify

BY ALAN PIKE, LABOUR STAFF

LUCAS AEROSPACE management yesterday left shop stewards — who are demanding ambitious diversification into new "socially useful" fields — in no doubt that the company intends to continue concentrating on traditional business.

The shop stewards, anxious about the possibility of redundancies among the company's 13,000 employees, presented the management and Government with a report outlining ideas for a radically different future for Lucas Aerospace.

It suggested that the company's investment in advanced technology should be devoted to developing such products as medical equipment, pollution-free transport and cheaper heating systems. One of the more advanced ideas was a plan for small submarines operated by remote control from oil rigs to replace divers.

In its reply to the report published yesterday, Lucas Aerospace emphasised its intention to continue with the development of aircraft systems and components for the aerospace and defence industries, but it will refer some of their ideas to local consultative machinery for discussion.

The company says that it reviews opportunities in non-aerospace fields where there is a related equivalent level of technology. But Lucas had a long-standing capability and reputation for producing aerospace systems and components and believed the only way to secure jobs was by concentrating on products which the company could produce most efficiently and profitably.

Lucas adds that although the aircraft industry, like many others, has been depressed by the oil crisis, the company has not been affected "to any great extent" by the latest defence cuts. The company was widening its international markets and this, together with projects overseas, was generating more work for British factories.

Lucas says it cannot accept that military and civil aircraft do not have a social utility. Civil aircrafts were needed for business and pleasure purposes and military ones for defence.

Electricians' leader warns on pay deal

BY IAN HARGREAVES, LABOUR STAFF

IF TRADE UNIONISTS fail to honour the new TUC-Government pay policy, the consequences will be an immediate general election, a run on the pound and a further fall in living standards, Mr. Frank Chapple, general secretary of the Electrical and Plumbing Trades Union, said yesterday.

Addressing 300 delegates representing 250,000 members at the union's national engineering conference in Scarborough, Mr. Chapple's rallying cry received a warm welcome.

He warned of far-reaching consequences if the trade union movement broke ranks in the attack on inflation. "There will be an immediate general election and there is no certainty what the outcome of that election would be. There would be a run on the pound and as the value of the pound declined, prices of food and raw materials would rise and that would cause a drop in our wages and a fall in living standards."

Mr. Chapple said the TUC had been faced with only one issue during its negotiations with the Government—a political one—whether or not to force the Government out of office. It was in the long-term interests of the working class, including craftsmen whose differentials were being eroded, to ensure that this Labour Government survived.

To the five members of the TUC general council who had voted against the deal, Mr. Chapple said that after a year of free collective bargaining, 1976 would have seemed in retrospect "a utopian period."

Crewe rail workshop men urged back

BY OUR LABOUR STAFF

THE NATIONAL Union of Railwaymen executive is urging strikers at Crewe railway workshops to return to work and take part in a joint inquiry to determine how men should be promoted to skilled jobs.

Last week 1,500 NUR members at Crewe won official backing from their union for the strike, which is disrupting work on the advanced passenger train.

The dispute began when members of the Amalgamated Union of Engineering Workers stopped work in protest against the promotion of a semi-skilled NUR man to a metal machinist's job. They returned when British Rail Engineering, management agreed that the NUR member, and six others due to be promoted, should stay in their old jobs on the higher rate of pay, but this led to the NUR strike.

According to the rail union, the management has clearly breached an agreement allowing the promotion of its members to machinist vacancies. Yesterday the executive agreed that the seven disputed jobs should be frozen pending the inquiry which will take place if there is a return to work.

Triumph plant returns to normal working

BY OUR LABOUR STAFF

WORK at the Triumph plant near Speke, Liverpool, returned to normal yesterday after a one-day stoppage by 240 men protesting about manning during overtime periods.

Their complaint has been referred to the disputes procedure. The strike disrupted production of bodies for the TR7 Bullet sports model, but output of completed cars continued normally.

In Birmingham, some of the workers at the Drews Lane transmissions factory who have been imposing sanctions over a lay-off pay claim, resumed normal working, but the dispute is still halting Princess production at Cowley.

Work at the Jaguar factory in Coventry, where Leyland has lost production worth £6m., returned to normal yesterday with settlement of the strike by Rubery Owen welders and ancillary workers.

Ezra calls for 3%-4% output rise in pits

AN ANNUAL PRODUCTIVITY increase of between 3 per cent and 4 per cent. from the pits was called for yesterday by Sir Derek Ezra, chairman of the National Coal Board, to help the industry continue to pay its way.

Sir Derek said that since the big 1974 strike the coal industry had recovered from a deplorable financial plight through hefty price increases.

But coal was facing such a competitive market that there was little room for manoeuvre on prices in the near future. Price rises on the scale of the last two years would do the industry "immeasurable harm" in the energy market.

He felt too that the industry, having got itself out of the red into the black did not want again to depend on the "begging bowl" in the form of Government subsidies.

Sir Derek, speaking in Blackpool, said the way out was an increase in efficiency, not through men working harder or longer, but by ensuring that workers and machines were employed in the right places.

"Every ton of coal we can produce over what we expect will give us £16 of extra income." He was confident the industry would achieve its short-term aims for the third year running in 1976-77, and hoped that the present high coal stocks would not continue to build up as the economy improved.

Annual Statement—Contd.

REFUGE ASSURANCE COMPANY LIMITED

The Annual General Meeting of the Refuge Assurance Company Limited was held on May 6th at the Chief Office, Oxford Street, Manchester, Mr. P. W. D. Smith, the Chairman, presiding.

The following is his statement which had been circulated with the report and accounts for the year ended 31st December, 1975.

It is with much sadness that I report the death soon after the year end of Mr. Maurice Wilcock Holgate, who had been Chairman of the Board since 1966. After joining the Company in 1946 as Joint Secretary, he was elected a Director in 1947, becoming Managing Director in 1953. It would be difficult to exaggerate the importance of his influence on the conduct of our business since the second World War, and his firm leadership, experience and devotion to the Refuge will be very much missed by Directors, Staff and Shareholders alike.

I was elected Chairman on 29th January, 1976. It is both an honour and a privilege to have been asked to accept this role, and I shall strive to serve the Company in the high traditions laid down by my predecessors.

Inflation

The major difficulty which the Company faced in 1976 was that of rapidly increasing expenses resulting from the high level of inflation experienced in the United Kingdom. This is a grave national problem and it is hard to see how the financial structure of the national economy could survive a prolonged period during which the return available on invested capital was insufficient to offset the fall in the purchasing power of money. Towards the end of 1975 there were welcome signs of a downward trend in the rate of inflation; it is essential for the well-being of the community that this trend should continue until inflation has come down to a level which will afford the opportunity for investors to obtain a positive return in real terms.

A high rate of inflation creates particular difficulties in the Life Branches, where the main business comprises policies issued for terms of 10 years or longer and subject to fixed rates of premium. The higher sums assured which policyholders need in order to maintain their level of cover in real terms, and the increase in premium income which the Company needs in order to meet higher expenses, can only come from new business. I am pleased to report that record amounts of new sums assured and premiums were written in 1975, but at the same time, as you will see from my later comments, the expense ratio increased very sharply indeed in each of the Life Branches. Following discussions with representatives of our Field Staff, agreement has been reached and plans are well advanced for further rationalisation of our organisation by making some modest reductions in the number of District Offices and Official positions. Apart from these specific plans, procedures and systems throughout the Company are kept under continuous review in order to eliminate any unnecessary expenses. It has to be recognised, however, that there is little scope for reducing expenses without impairing the quality of service to our policyholders, and in spite of all our efforts it is to be expected that expense ratios will show a further increase in 1976.

Legislation

A disheartening and disquieting feature of our business at the present time is the sheer volume of legislation which it is necessary to study. The Policyholders' Protection Act was passed in November 1975. The prolonged dialogue between the Industry and the Department of Trade on the new regulations arising out of the Insurance Companies Act, 1974, continued throughout 1975; some regulations have been made, but those relating to new forms of Annual and Quarterly Returns to be made to the Department are still awaited. The Finance Act 1975 gave final details of changes in the rules and procedure relating to tax relief on premiums for life policies, and these changes in particular have caused a lot of work for insurance companies and for the Inland Revenue, without producing any clearly discernible advantages for either side or for the general body of policyholders.

We have also had to consider the effect on our business of various other measures relating to industry in general, including the Employment Protection Act, the Consumer Credit Act, the Sex Discrimination Act and the Community Land Act. In all these cases, the impact on insurance business has been incidental to the main purpose of the legislation and in some cases the result appears almost bizarre. For example, a large proportion of new policies which we issue in the Ordinary Branch are subject to monthly premiums payable by banker's order. Technically, these premiums are instalments of a yearly premium, and as a result of this the policies fall to be treated as "Credit Agreements" for all the purposes of the Consumer Credit Act. A policy which is subject to true monthly premiums does not constitute a "Credit Agreement," although the only difference is that on a policy subject to instalment premiums the amount payable when a death claim arises is reduced by any instalments remaining to complete the policy year. There is an air of capriciousness about a situation in which such a trivial difference determines whether or not a policy has to comply with the somewhat onerous requirements of the Consumer Credit Act. Moreover, although our policies can be taken outside the scope of the Act by a simple alteration of the policy wording, this change would (under the new rules relating to tax relief, to which I referred earlier) require all the relevant policy forms to be submitted to the Inland Revenue. I have dealt with this matter at some length, not because of its intrinsic importance, but as an example of the dangers of having too much legislation. The Consumer Credit Act was not aimed at insurance policies subject to premiums payable by instalments; this type of policy is caught fortuitously and unnecessarily, and the resulting expenses which are incurred will be borne ultimately by the policyholders, that is, by the "consumers" whom the Act is designed to protect.

Pensions

The Government's plans for the pattern of State pensions and the future relationship between State and occupational pensions were embodied in the Social Security Pensions Act passed in August 1975. From April 1978, the State pension will be in two parts—a basic component equal to the amount of the flat-rate pension in force at the time, and an additional component which will be earnings-related; both parts will be indexed to the general level of earnings and prices. There are facilities for members of occupational schemes to be contracted-out of the earnings-related part of the State pension, and a decision in respect of our own Company scheme will be made in due course after consultation with representatives of the staff and Unions involved. In the meantime, it is gratifying to report that a valuation of the scheme as at 30th June 1975 showed a sound financial condition despite the rapid increase in earnings during the three years since the previous valuation.

Investments

It will be observed that the accounts include a statement of the market value of the assets as determined in accordance with the Insurance Companies (Valuation of Assets) Regulations 1974. I would, however, add a word of caution concerning the significance of this information. Life Assurance is a long-term business, requiring premiums to be invested and accumulated to meet claims when they eventually arise, and intermediate fluctuations in market values have relatively little effect—of much greater importance is a rising level of annual investment income. The last two years, during which the Financial Times Industrial Ordinary Share Index fell from 344 to below 150 and rose again to 376 by the end of 1975, were an excellent illustration of the extent to which market values can vary without at all affecting the financial stability of a business such as ours.

The total assets of the Life Branches as shown in the Balance Sheets, increased by £12.9m. during the year to reach a total of £329.1m., the division between the main classes being as follows:—

	Amount at 31st December 1975 (millions)	% of total
British National and Local Government Securities	101.3	30.8
Debentures, Loan Stocks and Preference Shares	63.1	19.2
Mortgages and other Loans	44.0	13.3
Ordinary Stocks and Shares	79.6	24.2
Land and Property	26.6	8.1
Other assets	14.5	4.4
Total Assets	329.1	100.0

Ordinary Branch

New business written in 1975 showed a substantial increase over 1974, the most gratifying feature being that the number of new policies issued increased by nearly 12%; new sums assured were up by over 50% and new annual premiums by over 30%. Despite this big improvement in new business, however, the total income received during the year from renewable premium business was only 4.5% higher than in 1974 and this is well below what was needed to keep pace with rising expenses. The total expenses of £3,269,000 were up by 17% and amounted to 22.9% of the premium income (including consideration for annuities) compared with 19.9% in 1974.

The investment income increased by just over £1 million and the gross interest yield on the Life Fund was 9.93%. The yield is not directly comparable with that for 1974 which was materially affected by the transfer to Investment Reserve as at 31st December 1974.

Following the annual valuation of the Life Fund, increased reversionary and terminal bonuses have been declared as set out in the Report of the Directors. Compared with 1974, the rate of reversionary bonus is 20p% higher for assurances and 30p% higher for annuities, whilst the rate of terminal bonus is 30p% higher for each relevant year.

Industrial Branch

The issue of 11,277 more new policies than in 1974 produced an increase of over 20% in both new sums assured and new annual premiums. The total premium income was just over 7% higher than in 1974, but expenses increased by 20% and amounted to 46.3% of the premium income compared with 41.1% in 1974. The investment income increased by £737,000 to give a gross interest yield on the Life Fund of 9.43%.

The rate of reversionary bonus is unchanged from the previous year.

Fire and Accident Business

Earned premiums were 20% higher than in the previous year but expenses, including commissions, increased by 23%. The provisions for unearned premiums which had previously been calculated by the twenty-fourths method, were strengthened at the end of 1974, and in anticipation of E.E.C. requirements it has been found desirable to strengthen the basis again this year as explained in a note to the accounts. The additional provision this year amounts to £73,000 and as a result the underwriting accounts show a profit of only £18,000. After bringing in investment income there is a total profit after tax of £118,000 of which £50,000 has been transferred to Profit and Loss Account.

Our motor premium rates remained unchanged throughout 1975, but the continued rise in the cost of repairs and spare parts made it necessary to increase rates as from 1st March 1976.

The early part of 1976 was marked by an influx of claims in respect of damage to property as a result of the widespread storms and floods experienced in the first week of January. These claims will have an adverse effect on the underwriting results for 1976, but they do serve to emphasise in a very tangible way the valuable protection afforded by insurance. They have also served to produce the clearest possible evidence of the extent to which most property is under-insured, and have provided an excellent opportunity to bring this to the attention of individual policyholders in a way which should lead to increased sums insured and premiums.

Profit and Loss Account

The total amount transferred into the Profit and Loss Account is £1,315,000 compared with £1,150,000 in the previous year. The dividend has been increased to the maximum extent permitted under existing legislation. As you will be aware it is proposed that the Company's share capital should be reorganised to create one class of ordinary share by giving voting rights to the existing 'B' ordinary shares. As compensation to the 'A' shareholders for the dilution of their voting rights a scrip issue will be made which will have the effect of increasing the total issued capital of the Company by £36,000 to £1,044,000. The Directors are confident that the level of dividend declared for 1975 can be maintained for 1976 on the increased capital.

Conclusion

The work of the Joint Investigating Committee, to which my predecessor referred a year ago and in which Union representatives participate with Management in looking at and seeking solutions to some of the many problems which we face, has continued and expanded. This is an example of employee participation in practice, and the benefit to be derived from discussion and co-operation between Management and Staff, coupled with a positive approach to problems, is already apparent in various parts of the Company organisation. Discussions have been wide-ranging and marked by a willingness on both sides to consider new ideas and experiment with new techniques. One example of this is the introduction in October 1975 of Sales Development Courses at the Manchester Business School. Their aim is to make each new Agent into a self-sufficient salesman and, although it is much too soon to judge how successful the project is, the early signs are most encouraging. Several other experiments are in hand based on the recommendations of the Committee and we are optimistic that both Company and Staff will benefit from all these developments. Active participation in the work of the Committee is restricted to relatively few people but the atmosphere of enthusiasm which they generate is infectious.

Current inflationary conditions demand great efforts from every member of the Company's Staff and we cannot afford to carry passengers. However, although the increase in premium income in 1975 was a long way short of keeping pace with the increase in expenses, the improvement in new business was encouraging. The main burden of producing these results falls on the sales force in the Field but they would I am sure be the first to admit that their success would not be possible without the support and help they receive from the staff in Chief Office. To all who have contributed I would like to express the Board's sincere thanks, not least to the members of Management at all levels at Chief Office and in the Field who have guided and led the Company through a difficult year, and I am sure that you, as Shareholders, would wish to endorse these remarks.

PARLIAMENT

Borrowing —and repayments compared

Financial Times Reporter

QUESTIONED about foreign currency borrowing in the Commons yesterday, Mr. Robert Sheldon, Financial Secretary to the Treasury stated that between March 1974 and April 1976 the Government borrowed some $3.67bn. and repaid the equivalent of $0.37bn.

During the period of office of the last Conservative Government, between May 1970 and February 1974, the respective amounts were $2.6bn. and $7.13bn.

In a further reply, Mr. Sheldon told MPs that local authority foreign currency borrowing under the exchange cover scheme outstanding at the end of April was equivalent to £680m.

The amounts outstanding on the last working days of February and October 1974 and October 1975, calculated by reference to exchange rates in force on those days were equivalent to £235m., £550m. and £620m. respectively, but there was borrowing equivalent to £318m. (at end October 1974 exchange rates) between February and October 1974.

Next week's business

COMMONS business next week is:

Monday—Local Government (Miscellaneous Provisions) Bill, Agricultural (Miscellaneous Provisions) Bill, remaining stages.

TUESDAY—Finance Bill, committee.

WEDNESDAY—Debate on the Navy.

THURSDAY—Finance Bill, committee.

FRIDAY—Private members' Bills.

MONDAY (May 17)—Finance Bill, committee.

Lords debates are:

MONDAY—Energy Bill, report.

TUESDAY — Crofting Reform (Scotland) Bill, Fresh Water and Salmon Fisheries (Scotland) Bill, third reading; Public Lending Right Bill, report, Land Drainage (Amendment) Bill, Commons amendments; debate on asbestosis.

WEDNESDAY — Debates on the Council of Europe, and the problems of the telecommunications industry.

THURSDAY — Public Lending Right Bill, third reading; Local Government (Miscellaneous Provisions) Bill, second reading; Endangered Species (Import and Export) Bill, report.

Inflation war must be won —Callaghan

BY PHILIP RAWSTORNE

MR. JAMES CALLAGHAN rode roughshod through the Commons yesterday in patriotic pursuit of the counter-inflation campaign.

This was a day for the national interest: "Confound their politics, frustrate their knavish tricks."

Mrs. Margaret Thatcher's demand on behalf of the Tories for a General Election was brusquely pushed aside.

"This country has this week won a battle against inflation," Mr. Callaghan declared. "We have not yet won the war."

Instead of petty skirmishing along the Government's flanks, the Tory leader should lend support to the advance from the "strong bastion" of the pay policy.

The economic policies on which the Government had fought the last two elections had been disastrous for the country, snapped Mrs. Thatcher. And its strategy now demanded less borrowing and more incentives if it were to be successful.

But the Prime Minister refused to be diverted. "I hope you will cease to think about General Elections until the war against inflation is overcome," he said.

No time now for tactical argument — especially with those whose last confrontation had ended in the 3-day week.

Some Tories, however, carried on harrying. Why are you "clobbering" middle management? demanded Mr. Robert McCrindle (Brentwood and Ongar).

Mr. Callaghan rejected the charge. "They understand better than you the needs of the present situation," he replied.

And Mr. Norman Lamont (Kingston on Thames) quoting Mr. Callaghan's son-in-law, Mr. Peter Jay, economics editor of The Times, in aid, made little more impression with demands for immediate public expenditure cuts.

Public spending had to be kept in order, Mr. Callaghan

MRS. MARGARET THATCHER
Election call dismissed.

agreed—and the Government was doing so.

That caused a minor affray on the Prime Minister's Left wing where Mr. Norman Atkinson angrily asserted that the Government would need to increase public spending if it were to return to a strategy of full employment.

And where Mr. Sydney Bidwell, recalling threatening memories of 1926, demanded "a rigorous prosecution of Socialist policies."

The Prime Minister pressed on regardless. "I do not look either to the extreme right or left to get a fair appreciation of these matters," he said in a parting shot.

'Racial balance' demand

THE RACE Relations Bill would "get off to a very bad start" if it flouted the wishes of employers, Mr. Patrick Mayhew (C. Tunbridge Wells) warned the Commons Standing Committee on the Bill yesterday.

He claimed that employers who belonged to the Confederation of British Industry did not wish provisions relating to "racial balance" to be removed from the 1968 Race Relations Act.

Mr. Mayhew was speaking on a Conservative amendment, which was defeated, to maintain an employer's right to discriminate if it was done in good faith to secure or preserve a reasonable balance of different racial groups.

He was supported by Mr. David Lane (C., Cambridge) who warned of the risk of racial monopoly situations.

Special unions might be created which could lead to fragmentation rather than integration of races in employment. A racial monopoly situation could lead to immigrant labour being exploited, he said.

Mr. John Grant, Employment Under Secretary, said the Bill's central purpose was not to preserve a reasonable racial balance but to abolish racial discrimination by ensuring equality of opportunity and fair treatment on the basis of a person's individual qualities.

The racial balance provisions were an exception to the principle of non-discrimination, and those who wished to maintain them must show justification.

MPs seek greater policy influence

By Peter Hennessy, Lobby Correspondent

MR. CLEDWYN HUGHES, chairman of the Parliamentary Labour Party, is to meet with senior ministers to press for a greater say for Labour backbenchers in the formulation of Government policy.

He is seeking formal representation for the PLP at the quarterly meeting of the Labour Party's national executive committee and the Cabinet. The move was seen at Westminster as an attempt to counter-balance the predominantly Left-wing NEC with the moderate dominated PLP.

Mr. Hughes told the regular weekly meeting of the PLP last night that the Labour Party was sustained by three pillars—the Government, the NEC and the PLP—and each should play an equal part.

Also present at the meeting between Mr. Hughes and senior Ministers, the date of which has yet to be decided, will the Government Chief Whip, Mr. Michael Cocks, and the chairmen of the backbench policy groups.

Ministers will be urged to consult with backbenchers at the earliest stages of policy formation.

Nominations closed yesterday for the two vacancies on the PLP Government Liaison Committee created by the promotion to Ministerial posts of Dr. Dickson Mabon, MP for Greenock, and Mr. James Wellbeloved, MP for Erith and Crayford, both of whom are prominent members of the moderate Manifesto Group.

Manifesto Group standard-bearers in the election, which will be confined to backbenchers, are Mr. Jack Ashley, MP for Stoke South, and Mr. Sydney Irving, MP for Dartford. The candidates of the Left-wing Tribune Group are Mr. Frank Allaun, MP for Salford East, and Mr. Norman Atkinson, MP for Tottenham.

In a straight fight, the Manifestoists could expect a near victory. But the intervention of non-aligned candidates, Mr. Bryan Gould MP for Southampton Test, and Mr. Frank Hooley, MP for Sheffield Heeley, makes the out come unclear. The results will be declared next Thursday.

Last night's meeting was also told by Joel Barnett, Chief Secretary to the Treasury, that the Government will be making a statement shortly about the alleged involvement of BP in payments to Italian political parties.

PPS named

MR. ROY MASON, Secretary for Defence, has appointed Mr. Alan Lee Williams, MP for Hornchurch, as his Parliamentary Private Secretary, in succession to Mr. Patrick Duffy, who was recently appointed Under Secretary for the Navy.

SAS soldiers arrested in Republic after 'map-reading error'

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

THE CASE of the eight Special Air Service soldiers, held under arrest in an Irish police station yesterday elicited a special statement from the Government in the Commons last night.

The eight soldiers were on a routine patrol when they made an accidental early morning incursion into the Irish Republic, said Mr. Robert Brown, Under-Secretary for the Army. "They encountered a check point manned by police of the Irish Republic, and they realised they had made a map-reading error."

The soldiers were still at the police station, said the Minister, when he digressed from a speech on the army to tell MPs about the mishap of the SAS soldiers. They were still at the police station at that time, and Mr. Brown added: "We are in touch with the Irish authorities."

Mr. Gerry Fitt (SDLP, Belfast W.), wanted to know if it was true that some of the SAS men were in civilian dress and that their weapons included a sawn off shot gun.

Mr. Brown said he could not accept all the suppositions in Mr. Fitt's questions. "I am sure he would not expect me to go further than I have gone," said the Minister.

On a main theme of the debate the reorganisation of the Army the Minister said that there would be a further round of trials in BAOR this year ending with a corps exercise, in which further opportunity would be taken to test the new organisations.

A report on the trials so far undertaken, involving two divi-

MR. ROBERT BROWN
"We are in touch with Irish authorities."

sions had now been received. "The report shows, I am glad to say, that the Army's plans have been generally validated and are indeed welcomed in BAOR," said Mr. Brown.

The new style battle group had positive advantages. The increase in the number of both combat teams and weapons was a marked improvement and the concentration of specialist functions worked satisfactorily. "As was only to be expected from so radical a reconstruction, a substantial number of changes of detail have been recommended in the report and they are now being further examined.

"The only area where the report has indicated that significant change is required is in the command and control at division level." The trials had shown that at present, direct command of battle groups would be too great a burden on the proposed divisional command and control system.

"We have therefore decided that each new armoured divisional headquarters should be given the capability of being able to deploy two tactical command posts to exercise direct operation command of battle groups as the need arises," said Mr. Brown.

"We also plan to increase the number of deputy divisional commanders at brigade level within the divisions from the one we originally intended to two. These brigadiers will head command posts when they are deployed. All the men we eventually require will be found by redeploying men in the U.K. and Germany within the levels laid down in the defence review.

"Because no extra manpower will be needed in the Army, overall, the financial bill will also be small and we expect to be able to accommodate it within our existing allocations. At the end of the day, we regard the cost in manpower and money that is likely to emerge as acceptable—and indeed essential—in order to ensure that the corps organisation and command structure is viable in war."

In any case, the Minister assured the House, the new organisation would be reviewed and refined as experience with it was gained. It was expected that this process would bring about further manpower savings.

At the end of the day, the Army would be smaller but with a better man-to-weapon ratio. The weight would be concentrated on the combat units and not on headquarters or support areas.

Mr. Cranley Onslow, for the Opposition, welcomed the two new Defence Department Ministers, but called for an assurance that they "represent no change in Government policy."

He said the House would recall that both Ministers had been known in the past for statements calling for the troops to be brought home from Ulster.

The House must hope that both Ministers — Under-Secretary for the Navy, Mr. Patrick Duffy, and Under-Secretary for the RAF, Mr. James Wellbeloved — "by their acceptance of office, also accept that our troops have an essential function to perform in that part of the U.K. in aid of the civil power."

Mr. Onslow said that the Army should not be hampered by political restraints that made their task impossible, but should be judged by the results which were within their power to achieve.

Rabies outbreak would divide nation—MP

IF RABIES becomes established in Britain, the nation would be divided between those with pets and those without, Mr. David Price (C., Eastleigh) said in the Commons yesterday.

Dr. Gavin Strang, Agriculture Under Secretary, said that the aim was to prevent the entry of the disease into this country.

"I do not accept that an outbreak is inevitable but we have made contingency plans to help us stamp out any outbreaks which might occur despite our efforts."

Mr. Price said rabies would not only be a direct menace to the health of the nation but could be socially divisive, between those who owned animals and those who did not. He urged the Minister to set up a Select Committee to look into the problem.

Dr. Strang said it was not for him to set up a Select Committee. "But I agree absolutely that it would be a disaster if rabies became endemic in this country."

He reminded the House that the Government had introduced an "awareness campaign" to make sure that the public knew of the danger of bringing pets into this country illegally.

Mr. Emlyn Hooson (L. Montgomery) said the Government should support fox destruction societies, as foxes were the greatest carriers of rabies. Many foxes bred in Forestry Commission land.

Dr. Strang said he would consider the suggestion. But plans had been well worked out for taking action in an infected area. In an extreme situation, this might well involve killing the local fox population.

Mr. Michael Jopling, an Opposition agriculture spokesman said the Conservatives supported the Government's latest efforts to deal with the threat of disease but believed that the penalties were insufficient. There should be a prison sentence without the option.

Dr. Strang replied that the average level of fines had increased significantly but the courts and the magistrates were not taking sufficient advantage of the higher limits.

Tories will hand back industries —Heseltine

A PLEDGE that the Conservatives will "unscramble" the nationalised aircraft and shipbuilding industries was given by Mr. Michael Heseltine, shadow Industry Secretary, in a Commons Standing Committee yesterday.

Mr. Heseltine said that all or parts of the two corporations being created by the Government would be returned to private industry.

He was speaking on the Aircraft and Shipbuilding Industries Bill which nationalises the two industries.

Mr. Heseltine declared: "If by mischance, the Government persuades Parliament to give final authority for the creation of British Aerospace and British Shipbuilders, it is the intention of the Conservative Party to unscramble those corporations and to return to the private sector all or parts of those corporations at the earliest opportunity.

"It is our determination to create a free enterprise economy in this country," he added.

Varley names shipbuilders' members

MR. ROSS BELCH, managing director of Scott Lithgow and president of the shipbuilders and Repairers' National Association, is to be one of the members of the Organising Committee for British Shipbuilders, Mr. Eric Varley, Industry Secretary, announced yesterday.

British Shipbuilders will run the industry after nationalisation, under the Aircraft and Shipbuilding Industries Bill, now going through the Commons.

Mr. Varley also announced in a Commons written reply four more members; Mr. John Chalmers, general secretary of the Boilermakers Society, Mr. Leslie Gregory, national officer of the Electricians and Plumbers Union, Mr. Peter Mills, administration director at Cammell Lairds, and Mr. George Peers, director of industrial relations, Engineering Employers' Federation.

MoT test to include seat belts—Gilbert

EXAMINATION of seat belts is to form part of the MOT test on cars, Dr. John Gilbert, Transport Minister, told a Commons Standing Committee yesterday.

He told MPs considering the Road Traffic (Seat Belts) Bill that there was an argument for requiring cars to have a new MOT test for all their safety sensitive equipment after a crash. This was one of the things he was looking into as part of a major review of MOT test procedures.

"I am seized of the general point that a lot of people do not wear seat belts because they find them uncomfortable—because they are not fitted in a way that suits them."

Car chief has little hope of higher sales

BY KEVIN DONE, INDUSTRIAL STAFF

THE motor industry cannot foresee a significant increase in new car sales this year or in 1977, Sir William Batty, president of the Society of Motor Manufacturers and Traders, said yesterday.

He told the Society's annual general meeting: "I believe it is foolhardy to imagine that genuine recovery is on the way while the pound continues under such intense pressure in the international market.

"The value of a trading nation's currency is the paramount barometer of the health of its economy."

There were some signs that the economy was at least declining more slowly, said Mr. Batty. But against a background of continuing world-wide over-capacity for vehicle production in 1976, the industry must pull out all the stops to maintain its international competitiveness.

Last year, fewer British cars were built and sold than in any year since 1962, commercial vehicle output was the lowest since 1959 and sales were lower than any year since 1963.

Clear decisions had to be taken in the motor industry which could be adhered to without the threat of unnecessary external or internal disruption, either from Government policy changes or industrial disputes.

Uncertainty as to the Government's intentions on the role of the motor industry could be every bit as damaging as the abuse of the industry as a regulator for the national economy, said Sir William.

He attacked the way that Governments had given too much attention to voluble minorities on many issues and suggested this was "one of the reasons that Britain has got into such a mess."

There was little sign that the present or any alternative Government would attempt a more objective approach.

Sir William, a former chairman and managing director of Ford, who retires next month from the chairmanship of the SMMT, said that industry had little choice but to become more active "in presenting to Parliament, to the media and to informed opinion throughout the country, the real facts of economic and industrial life."

It was no longer possible for industry to leave politics to the politicians in order to concentrate its energies on competitive manufacturing.

He strongly criticised several aspects of the Government's Consultative Document on Transport and attacked specifically any suggestions of additional taxation on commercial vehicles.

Tethered rig methods tested in London

BY DAVID FISHLOCK, SCIENCE EDITOR

FIVE ways of tethering an offshore production platform for service in waters deeper than currently being exploited in the North Sea were demonstrated to the Royal Society in London last night.

The five methods shown by small models in a wave-making tank, are being explored at the National Physical Laboratory, in research funded by the Department of Energy.

All derive from a U.S. concept known as the "tethered leg platform," in which a buoyant platform floating beneath the surface is anchored to the seabed by high tension cables.

The tension is so high the cables would behave as though they were rigid structural members—or legs.

This is one of the principal techniques being studied by the oil companies and their suppliers for the next generation of deep-water production platforms.

The demonstration at the Royal Society, arranged by Mr. J. R. Richardson of the NPL's maritime science division, was designed to illustrate his theory.

Three models with the same kind of spherical buoyancy vessels were used to demonstrate the effects of various cable configurations.

One model with three vertical cables proved to have little horizontal stiffness and the platform can become unstable in certain sea conditions. Another model demonstrated how a platform could be made fully stiff with as few as six cables.

The Executive's World

EDITED BY JOHN ELLIOTT

Terry Dodsworth outlines the strategy behind ITT's move into the European motor components field

Assembly line for a conglomerate

CLOSE TO the centre of Brussels stands an imposing 22-storey office block sheathed in tinted glass. The building is known as the European headquarters of ITT, the U.S.-based conglomerate. What most visitors do not know is that it also houses the nerve-centre of one of the largest motor component concerns in Europe—a $750m. turnover creation of only eight years' standing and already one of the most interesting operations of its kind.

At first sight there was as little industrial logic behind ITT's expansion into motor components as there was in most of the businesses in which it became involved during the heady days of conglomeration. Indeed, its method of putting together the components group was a classic example of conglomerate development: a new growth sector was identified, takeover targets located, and money and management expertise poured in.

Motor components was—and to some extent remains—a fragmented industry full of small to medium-size family concerns often eager to sell because they were squeezed between the need for expansion and higher taxation. There proved to be ample scope for a group, bristling with experienced negotiators.

Within the space of five years, between 1967 and 1972, ITT picked up Alfred Teves, a Frankfurt company which claims to be the largest disc-brake manufacturer in the world; a collection of smaller Italian manufacturers, making a variety of parts from shock absorbers to oil seals; and later, just before the conglomerate bubble burst in 1972, SWF, a Stuttgart electrical concern, and Koni, the Dutch shock absorber company.

ITT was not the first American company to notice opportunities in the European components market. Indeed, during the 1960s, a flood of U.S. investment had surged across the Atlantic into the industry, attracted by a region with much more growth potential for motor products than the U.S.

But ITT was different from almost all these companies—concerns such as Cummins in diesel engines, Eaton in heavy axles, and TRW in steering gears and valves—which usually had a similar technical base in the U.S. Although ITT had built a small components business in North America, its European acquisitions were scarcely related to anything it had at home and they were not directed at any particular

Mr. John Chluski.

country (most U.S. investors have chosen the U.K.) or any one sector of the industry.

Indeed, it is difficult to see any overall strategy behind the original series of investments. ITT had picked up a variety of unrelated activities in which the only "synergistic" benefits it could possibly argue were in management.

So what are the management skills ITT has brought to bear on this small empire? The story begins in 1972 when ITT decided to bring all motor interests, up to that time operating independently, into an automotive products group. It appointed Mr. John Chluski, a former senior executive in Massey-Ferguson, to run it.

Chluski, a Canadian who worked for Massey-Ferguson in the U.K. for a number of years, started the reorganisation with a straightforward piece of fire-fighting. He moved in when the motor industry was heading into the worst crisis it has faced since the war. Within months of his appointment oil prices were shooting up, industry volume was falling and, to compound difficulties, Alfred Teves, up to that time almost a monopoly supplier in Germany, was facing a difficult patch because its disc brake patents ran out.

In general, the motor industry was slow to react to the mood of anxiety about oil prices which swept Europe during 1974. Chluski claims, however, that the motor parts division began to trim back on manufacturers' forecasts of requirements long before most car companies were willing to accept that boom conditions were over. Certainly it acted swiftly to reduce its labour force. Over two years about 6,000 employees were made redundant in a group of almost 27,000—a difficult thing to achieve in an area of the world in which labour is increasingly regarded as a fixed cost; indeed there were no redundancies at Koni, based in Holland.

The most stringent economies were made at Teves, largest of the ITT concerns with about 12,000 employees at the time. New top management was brought in and a sweeping reorganisation followed, along with about 2,000 redundancies. "I made it clear to everyone, from top to bottom, that no one had a guaranteed job," says Herr Hans Wellny, managing director of Teves. There were proportionately as many white-collar as blue-collar redundancies.

At the same time Chluski embarked on a long-term strategy to reorganise the group. This can be summed up under three headings:

1. *Integration:* in general terms, the motor parts group is organised according to the General Motors dictum that policy is central but administration local: each managing director runs his own business, answering to a general set of targets agreed with headquarters. This is clearly a sensible approach in an organisation with such a diverse product range but, at the same time, Chluski regularly brings together managing directors to discuss overall direction of the group. It is impossible to evaluate precisely the benefit of this policy but it is obvious to-day that top executives have a clear identification with the group.

2. *Exports:* It is odd, but true, that Continental component manufacturers have never been aggressive exporters. For example Teves, with its enormous strength in Germany, had only dipped its toes into overseas markets—mainly in following Volkswagen to Brazil—before Chluski came along. This is changing rapidly; partly because Chluski has brought an international approach to the business; partly because the emphasis has changed to generating internal growth in the group rather than going for acquisitions; and partly because Teves in particular has had to face increasing competition in its home market.

Teves has taken two almost unprecedented steps within the last year, setting up manufacturing plants in the U.K. and the U.S.—both countries which are almost virgin territory for Continental component groups. The considerable strength of the German car industry clearly is a sound base on which Teves and SWF can build because they can follow the cars into new territory and get into the after-sales market. With VW setting up in the U.S., further original equipment opportunities arise and for other companies within the motor group there may be advantages in being known to belong to the same umbrella organisation.

The U.S. venture is an ambitious pacesetter. No other European components manufacturer has invested on a similar scale in North America—Chluski is aiming for $100m. turnover within five years—and it demonstrates considerable faith in the theory, as yet unproved, that there will be increasing convergence between U.S. and European motor technology. There is also a possibility that Koni, already a sizeable exporter—its premium-priced shock absorbers go primarily into the after-market—might establish a similar operation in the U.S.

3. *Internal growth:* Although Chluski says that at any one time he may have five acquisitions under discussion, APG has not bought a company since he joined. In fact, the emphasis of his approach has been to put the main effort into utilising existing assets. Despite the cut-back over the past two years, for example, investment in research has increased and employment has actually grown in this area—both Teves and Koni make sophisticated equipment and Teves has well-advanced plans for a computer-controlled braking system which will keep a car on a steady course under the worst braking conditions.

At the same time, the one development recently launched by the company has been a completely in-house concept. This is a car servicing company called 123 Auto Service, started about a year ago and now established in Belgium, Holland and Germany. It aims at while-you-wait repairs for exhausts, shock absorbers and brakes.

If anything, there seems even less logic in ITT's entry into this retailing venture than into the other activities brought together under the motor division banner. Chluski argues that it will give the group an anti-cyclical interest. But however true that is, it remains that ITT's defence of its investment strategy can scarcely rest on industrial logic. The case for ITT comes back to management ability—and particularly the ability to make something of a strategic investment in a buoyant sector.

On these grounds, Chluski can point to a sales increase from $440m. in 1972 (ex Koni, which has a turnover of about $35m. a year) to $750m. last year. The company, he says, has kept out of the red and the presumption is that it is just about returning the 4 per cent. profit on sales after tax which he believes is a sound objective.

Top executives in the group are convinced that these sort of figures could not have been achieved without the kind of strong controls which are typical of ITT. They have the help of Chluski and his small team of 20 or so headquarters' specialists in meeting their targets. And they also have the guidance of the fabled financial control system which drops the figures through the letterbox as remorselessly as a dripping tap.

Michael Koni, the family heir to Koni who was kept on after the takeover and now talks as though he had been bred from birth in a conglomerate, has a graphic way of describing how this system works: "Problems float to the surface in the figures," he says, "just as oil does in water."

BREAKDOWN OF ITT AUTOMOTIVE PARTS GROUP TURNOVER

Company	Location	Main products	Turnover: $m.
Alfred Teves	Germany	Disc brakes	370
SWF	Germany	Electrical components	140
Italian Group	Italy	Bumpers, exhausts oil seals	180
Koni	Holland	Shock absorbers	35
123 Auto Service	Belgium, Holland & Germany	Replacement service	25
		Total:	750

Hunt for a product designer

THERE are important areas of British industry where designers are being misused or under-used. Textiles come into this category and so do cars, neither of them trades which are overwhelmingly successful. There are also increasing rumbles of discontent from the public, design associations and within the trades themselves that, leaving aside such major problems as import competition, industrial disputes and under-investment, the low design quality of British products is having a significant effect on sales to discriminating markets, not only overseas but at home.

British designers, however, short of work in their own country but recognised elsewhere as among the best in the world, are selling their talents and ideas abroad. Companies in manufacturing industries, which are anxiously gathering their resources in preparation for the long haul out of economic recession, should therefore consider whether the services of a good designer would not speed their progress. This raises the question of where one goes to find a good designer in, say, textiles, heavy capital goods or the performance and appearance of delicate laboratory equipment.

The Design Council runs a designer selection service, and has mounted a small but useful exhibition at its London showrooms to show how the service works. The council has an up-to-date record of the work of numerous designers and design groups, specialists in graphics, interiors, industrial design, textiles, products and so on. The client is put in touch with a handful from the appropriate group and then he investigates further and makes his final selection for a fee of £20. The exhibition shows the successful results of several such introductions, explaining a client's brief, a designer's initial ideas, sketches and models and the solution.

There is an hydraulic quarry drilling machine which meets the demand for a low-running cost, a low-noise rig capable of operating efficiently in all types of strata and at angles ranging from vertical to 15 degrees from horizontal. There is also a range of shop interiors and a small but light Japanese sewing machine.

The exhibition at the Design Centre, 28 Haymarket, London, S.W.1, is open until May 15.

José Manser

HENLEY STAFF COLLEGE

A union school of management

BY MICHAEL SIMMONS

ASK to-day's descendants of the Tolpuddle martyrs or the Chartists what they think would be the most appropriate setting for teaching management a thing or two, and the answer, assuming the challenge is accepted, seems to lie behind the elegant facade of the Administrative Staff College, down by the Thames at Henley. Here, the manager feels ostensibly at home, in an acquiescent mood, and will pretty certainly sit through a week's course anxious to be convinced he is getting value for money.

Professor Tom Kempner, the College's principal, who was something of a trail-blazer when he was at the Bradford business school, is not shy about setting cats among pigeons. Thus, with something of a disapproving scowl from the TUC itself, but with 25 places at £240 each taken up as soon as they were offered, he has with characteristic panache launched an unique one-week course in industrial relations. Its uniqueness lies in the fact that the course is designed and run by active trade unionists.

The first course was held last month and companies represented included ICI, Bats, Pilkingtons, ICL, the Government's Central Policy Review Staff, the Electricity Council, the Milk Marketing Board, and a host of others. About half were personnel managers while others were in production, banking and insurance. There was also one retired general about to take up a university post.

Charm of the shop floor

Nothing seemed to daunt the trade unionists. Jock Haston, former national education officer of the General and Municipal Workers' Union sporting a bow tie and a fat cigar, exuded a shopfloor sort of Edinburgh charm: Ron Edwards, formerly with the Electrical and Plumbing Trades Union, neat-suited but very Merthyr Tydfil, exploded every now and then while Pat Turner, the national women's officer of the GMWU, let rip with a talk on equal pay. She guffawed in management's face when a man from Hoover said most people were sympathetic to her views and told a man from United Biscuits: "If you generate fear, then you also generate conflict." Next a clutch of shop stewards were brought in. More sparks flew, and some more prejudices were paraded — from both side. But, nursing a bruise or two, management broadly agreed that it was a particularly good session.

Teachers with the answers

Almost certainly, it was the teachers who enjoyed themselves the most. Perhaps it was because, like all the best teachers, they had many of the answers. Thus Jock Haston, a veteran trade union educationist, when questioned about unions "poaching" members from one another, said it was a difficult thing to avoid. Asked whether there should be one union per industry he said that was already the case in the docks "and you don't like it, do you?" As for a union's powers over wild-cat strikers he said: "They could be expelled, but that would be idiocy."

At the end of the week, there was a broad consensus that the exercise had been worth while. One participant from a large tobacco company said he would recommend the course to his masters and that the trade unionists' teaching methods could teach management a thing or two. The teachers, too, were satisfied and were already working out minor changes to be made in time for the next course which will be held in June and which is already almost fully booked.

It is difficult for a fleeting visitor to assess the ultimate usefulness of such a week but impressions, worth recording came at unexpected moments. One was when Jock Haston told the managers: "You are the leaders, and society has put leadership in your hands." With this no one seemed to disagree. But it was different, a few seconds later, when he said to the managers: "You are mixed up kids, you know; you're authoritarians who are mixed up about what sort of authority you are after." That puzzled them for more than a moment, and Haston smiled inscrutably.

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The cod war escalates

AFTER A PAUSE for confusion lasting 48 hours, the British Government has decided to resume the cod war and, if necessary, to risk escalation. Two more frigates are being sent to the disputed waters off Iceland to join the four which are already there, and there will also be another civilian protection vessel. It is impossible at this stage for the fishing industry to give a considered reaction because, in making the announcement, Mr. Fred Peart, the Minister of Agriculture, gave no details about what the frigates will do. If the Navy has been instructed actively to prevent wirecutting incidents and the like, as it was until about Easter, then the industry will be relatively satisfied. If it has not, then even the despatch of the entire Royal Navy would be insufficient to allow fishing to go ahead.

Initiative

Both the industry and the Navy have a case. The trawlermen know that if they lose the fishing grounds off Iceland, many of them will be facing the dole and indeed there will be much wider ramifications—for example, for the processing industry and for the housewife. The Navy, fully supported by the Ministry of Defence, knows that if they were allowed to use only a few of the weapons at its disposal, it could eliminate the whole Icelandic coastguard within a few hours, but of course this is politically out of the question. Instead, it is being asked to act with its hands tied behind its back and using equipment meant for something quite different.

Yet if the trawlermen and the Navy deserve sympathy, the same cannot be said of the two principal policymakers, the Ministry of Agriculture and the Foreign Office. The Icelandic decision unilaterally to declare 200 mile fishing limits was foreseen and foreseeable. It was also foreseeable that even if Britain could make a temporary arrangement, in the longer term it would have to get its cod elsewhere. It was known that the Law of the Sea Conference was moving to a position where 200 mile limits would be generally established, either by international agreemnt or as a result of the Conference breaking down. It was known too that Norway, which is a very active fishing power, was anxious to enter into negotiations at least to discuss swap arrangements for when the new regimes go into force. (WhatirBt olnia—into force. (What Britain lost off Iceland might have been gained off Norway.) Finally, there was the question of the Common Fisheries Policy (CFP) which, properly developed, could offer the British fishing industry new opportunities for expansion.

Derisory

All of these things could, and should, have been taken together to produce the outline of a new fishing policy. The Ministry of Agriculture proved incapable. The Foreign Office dismissed a tentative Icelandic offer of a British catch of 65,000 tonnes a year as derisory, even though it turns out to be possible to catch very little more with full naval protection and the catch in the past few days has been virtually nil. It has taken until this week for a British Minister to present the Government's views on the development of the CFP. There is still no plan for the fishing industry. Having allowed the situation to deteriorate so far, it is not surprising that the Government has again reached for the frigates. It would be more convincing if it could turn its attention to the future of the industry as a whole.

The U.S. initiative in Nairobi

IN DRAFTING their opening speeches for the current United Nations Conference on Trade and Development, the governments of the rich countries have had to choose between two broadly different approaches. They could set out to make large-sounding "initiatives," in order to impress the developing countries with their underlying goodwill; or they could take a more sober line, stressing the difficulties of falling in with the demands already tabled by the developing countries themselves. Dr. Henry Kissinger, the American Secretary of State, has chosen the first of these two approaches, Mr. Edmund Dell, the British Trade Secretary, the second.

It is not immediately clear which of them will be more likely to advance the cause of reconciling the divergent interests of the developed and developing countries. With his proposal for a $1bn. International Resources Bank, Dr. Kissinger will undoubtedly capture the headlines, and he may impress delegates from the developing world that the U.S. takes their problems seriously.

Investment

But it is clear that this proposal, like the many other ideas contained in his speech, are a far cry from what the developing countries have called for: most notably, of course, in the traditional American emphasis on private investment, as opposed to aid. The centrepiece of the Manila Declaration was a demand for an integrated commodity programme, under which the industrialised countries would support a global programme for guaranteeing and if necessary (as it would be) subsidising the earnings of commodity exporters. The centrepiece of Dr. Kissinger's speech is a proposal for a bank whose main function would be to facilitate direct private investment in the exploitation of natural resources, *especially* in developing countries whose governments are ambivalent to direct investment by foreign companies. Almost as an afterthought, Dr. Kissinger has indicated that the bank might also have some role in financing commodity stabilisation. But it is clear that while the U.S. is prepared to consider stabilisation schemes case-by-case, it does not welcome the global approach advocated by the developing countries.

To underline this discrepancy is not to decry Dr. Kissinger's proposals. The U.S. put forward a long list of positive suggestions at last autumn's Special Session in the UN, partly through additional aid finance for the World Bank and the IMF, partly through the negotiation of particular commodity agreements, and some of those suggestions have already borne some fruit. It is possible that the International Resources Bank will be established and have a useful role to play, though it is clear that a great many detailed questions would have to be answered first.

Dr. Kissinger is, of course, right to take a sceptical view of the demand for an "integrated commodity programme." Copper and tea, to take two of the products listed by the developing countries, have such different characteristics in terms of production, trade and consumption, that it is difficult to see how their price could be stabilised in the same way.

Damaging

On the other hand, it is clear that violent fluctuations in the price and supply of basic commodities are harmful to the economies of the industrialised world, and even more damaging to the individual exporting countries concerned. There is a powerful case for examining individual commodities to see what stabilisation measures would be viable and, more important, durable. The case is, if anything, reinforced by growing doubts over the efficiency of direct development aid in closing the yawning gap between the poor countries and the rich.

Most governments recognise the need to do more to help the developing countries help themselves; but all recognise that the speeches being delivered in Nairobi are only part of a process of negotiation which will continue long after the delegates have left for home.

Mr. Healey wants to stimulate investment and still control prices. **Elinor Goodman** looks ahead.

Changing the Price Code: the Government's twin targets

WITH THE Chancellor's statement that the *present Price Code is to* remain after July, the key question is how the Code can be modified to meet Mr. Healey's objective of stimulating investment and jobs while meeting union demands for strict price contros. The present Code, with its obigation on companies to justify individual price increases to the Price Commission on the basis of increased costs as well as to keep within specified profit margin ceilings, may seem unwieldy mechanism, but there is scope within it for considerable relief to industry — possibly over £1bn.—by tinkering with parts of it.

If, therefore, the Government were to exploit all the possible avenues of relaxation open to it within the present code, the benefits to industry would not be much less than those envisaged in the short term by the Confederation of British Industry when it proposed that the "allowable cost" side of the Code should be dropped completely.

Whether the Government will be able to give this measure of relief remains to be seen but there seems to be some acceptance of the need to change the Code in the area of inflation accounting, investment relief, and the productivity deduction which at present stops companies passing on more than 80 per cent. of their increased labour costs in higher prices. There also seems to be a genuine Government wish to try and ameliorate the situation where companies are prevented from reaping the benefits of greater efficiency in higher profits.

Key negotiations for industry and the Government are to begin on the Price Code. Mrs. Shirley Williams, Secretary for Prices and Consumer Protection (left), will need all the co-operation she can get from Sir Campbell Adamson, Director-General of the CBI.

Benefits of efficiency

The talks on prices could not really have begun in earnest until agreement was reached over pay. For this reason last month's meeting between the CBI and Mrs. Shirley Williams, secretary for Prices, was rather inconclusive. The CBI, while modifying its original argument that price controls should be totally abolished, asked Mrs. Williams to stop companies having to notify the Price Commission of individual price rises on the basis of increased costs, and instead to concentrate price controls on modified profit *margin ceilings. Now, however,* the main plank of the CBI's demand has been swept away by the Chancellor's statement that cost and profit controls are to continue.

What is left, therefore, is the second half of the Confederation's proposals: modifying the existing profit ceilings to stimulate investment and to introduce some measures of inflation accounting in the Code, as well as giving further relief for companies making low profits. It is these which give an idea of the changes which the Government may make to the Code when it expires in July.

The CBI is to consult its members about prices on Monday and expects to see Mrs. Williams shortly afterwards. By then, the Confederation will—no doubt unwillingly—have produced new proposals for modifying the controls. In this case it seems likely that the CBI would tell Mrs. Williams that the present system based on the unit cost of *output* should be replaced by an *input* system, thus ending the situation where the benefits of greater efficiency have to be passed on to prices.

Since 1973, some modifications and safety nets have been built into the Code. The simplest changes the Government could now introduce would be to make these provisions more generous. Given the government's emphasis on investment, the "investment clause" would seem the one which is the most obvious candidate for change. This clause, which has already been modified once, allows companies to raise prices above the normal provisions of the Code to recoup 20 per cent. of their investment expenditure: a cor*responding increase is also* made to the net profit margin reference level so that the increased price can be charged.

The CBI, in its proposals to Mrs. Williams, suggested that the investment relief scheme should be extended to permit companies to reflect the full cost of any investment project in their reference levels. It also argued that the present relief scheme should be extended by including increases in working capital within the definition of qualifying expenditure.

The CBI's proposals were related to relaxing the margin control but they could equally well be applied to the "allowable cost" regime.

The investment relief provision has been criticised on several grounds in the past—not least because it is so complicated—but it is likely that the basic concept of this clause will remain. There are problems in *including working capital in the* definition of qualifying expenditure but some changes could be made. More likely is that the proportion of investment expenditure which can be passed on in higher prices will be raised—but below the 100 per cent. figure proposed by the CBI.

There is also a suggestion, originally put forward by the CBI, that some kind of differential treatment could be given to "additional" investment. What exactly would constitute "additional" investment is not clear though presumably it would be any expenditure above what a company has made in the recent past. Under this scheme companies would be allowed to pass on say, 25 per cent., of their normal investment expenditure in higher prices plus a higher *proportion of their additional* expenditure. No figures have been worked out, but such a scheme would be designed to stimulate a higher level of investment.

At the same time the kinds of expenditure qualifying for such relief could be extended to cover commercial buildings. This change would be particularly welcomed by retailers though, under present definitions, it would also mean bringing in expenditure on offices and cinemas—an inclusion which might be resisted by some Labour politicians.

The present 20 per cent. scheme for investment produced £380m.-worth of relief in its first year, so it can be seen that even doubling the figure would provide considerable extra funds, particularly in view of the more buyonant investment intentions recently shown in the CBI survey.

The existing corde has no less than five separate clauses providing relief for low profits, most of which could be changed to give more relief. The only problem with doing this is that what might be an adequate return on sales for one sector of industry might give a bonanza to another. In its representations, the CBI proposed that the *present 10 per cent. return on* capital should be increased and there is little doubt that in some cases a 10 per cent. return on capital represents a negative return in real terms.

Even so, it is unlikely that these safety nets would be raised dramatically: otherwise what were originally framed as "special" provisions might become the norm. The Government must be aware that its *pledge to retain cost controls* could be made to look foolish if the majority of companies were able to duck the "allowable cost" regime by using safety nets. (In the last quarter one out of every six large companies were using the profit safeguard provisions.)

The other major change being considered on both the cost and profit controls is the question of inflation accounting—one of the CBI's main targets. At present, though companies are allowed to charge depreciation as an allowable cost, the depreciation is based on historic values and not on replacement costs. While the Department of Prices is unwilling to be a pioneer for the Sandilands recommendations — particularly as that would involve companies producing separate accounts for the Price Commission—it could allow some recalculation of both assets and stocks based on a more realistic value than at present.

The two other changes proposed by the CBI on profits were that profit ceilings should be based on the single best year out of five rather than the *average* of the best two and that control should be applied on a quarterly moving average basis.

While industry might make some headway in persuading the Department of Prices to change to a quarterly moving average control, there seems little hope of a change in the base period. Some extra flexibility could, however, be created by expanding the paragraphs in the Code which allow companies to alter their reference levels in certain circumstances.

In view of the Government's *determination to maintain* cost controls as well as margin controls, it is likely that the CBI will concentrate its guns on changing the situation where unit costs are based on out-put costs and not in-put costs. Industry has long argued that this system prevents companies benefiting from their own efficiency and has maintained that companies should be given the option of using either in-put or out-put costing. Government officials have said in the past that they believe this change to be virtually impossible at this stage because it would mean companies producing a whole new set of comparative data.

Although it seems unlikely that officials have abandoned their opposition to input costing one compromise would be to allow companies to retain at least a proportion of any savings in fixed costs arising from higher output.

The other line of CBI attack on the costs side will probably be on the productivity deduction. This clause in the Code, which prevents companies passing on more than 80 per cent. of their increased labour costs in higher prices, has been one of the main reasons behind the fall in manufacturing margins since the beginning of the Code. With a lower rate of wage increases, however, it is less damaging than when wages were rising at 20-30 per cent. a year. By the same token, its abolition to-day would not have as great an impact on prices as it would have last year, and for this reason it seems likely *that the Government will give* some relaxation in this area.

If the Department of Prices agrees to modify the "allowable cost" regime it is likely that it will make some minor changes to the gross profit margin control on retailers. (Retailers do not have to notify individual price increases and are bound instead by gross margin controls as well as net margin ceilings.)

Manufacturing margins

The obvious thing to do would be to restore the 10 per cent. reduction in gross margin reference levels made in 1974 though this might be seen by some Ministers as giving too much away on a highly sensitive area.

As yet no decision appears to have been taken on the value of any relief which can be given under the Price Code. But whatever the figure is, it is likely that it will be some time before companies can take full advantage of the relief. Competition, and not the Price Code is generally recognised as the main restraint on prices at the moment. Recent figures *from the Price Commission* showed that on average Britain's largest companies were only trading at about 54 per cent. of their profit ceilings in the three months to the end of February. But industry's concern is that as the economic recovery gathers pace and price increases become feasible, they will be unable to take advantage of it.

MEN AND MATTERS

Friends fall out

An extraordinary row has developed within the Friends' Provident Life Office with an attempt by a group of employees to gain seats on the Board, a *move being met with strenuous* opposition from the existing directors. The issue will come to a head next Wednesday with the mutual life assurance organisation's annual meeting in London.

To counter the campaign by the "'78 Reform Group" to win Board representation merchant banker Edwin Phillips, the chairman, has circulated all staff, local directors, pensioners, and, according to general man*ager William Stubbs, "some"* insurance brokers. He asks them to complete a proxy form giving either the chairman or deputy chairman Chris Barber authority to vote on their behalf.

The '78 Reform Group is angry at the way this "blank cheque" authorisation is being sought only from a select circle of potential supporters (each policyholder has one vote). Mutual groups are not required *legally to circulate all members.*

The Reform Group wants to put on the Board James McColl, who works at Friends' Provident's Edinburgh office; Beaufort Pinhey, employed at the Dorking, Surrey, headquarters; Alex Fletcher, Tory MP for Edinburgh North; and Dr. Leslie Duncan, chief medical officer of the Office in Scotland. McColl and Pinhey are respectively chairman and deputy chairman of the ASTMS union section in the Office, but it is insisted that the Board move is not ASTMS-sponsored. According to John Reid, an Edinburgh member of the Reform Group, it stems basically from the need to "patch up staff-management relationships which have so deteriorated over the last five years."

That situation has been exacerbated by the intention to close the Edinburgh operation, transferring 75 of the present 200 *staff to rural Dorking,* where at present some 700 people are employed. Friends' Provident had Quaker beginnings and that influence remains strong. A majority of the Board originally had to be Quakers, *but the rules were amended last* year so that only five need be now. The Reform Group is incensed at a letter deputy chairman Barber sent to the Quaker magazine *The Friend* recently which amounted to a call for support.

The present 15-man Board reckons the appointment of four additional Reform Group directors would threaten the stability of the policyholder-owned Office and harm its public image, and general manager Stubbs says that the chairman wanted to avoid the "ordeal of a huge poll."

Reid, whose group also has criticisms of the way Friends' Provident conducts its business, declares: "It's absurd the way they have reacted to this perfectly legitimate approach. We would have been happy with some sort of deal." His side would like a compromise allowing one or two of its nominees to become directors. "We have endeavoured," Reid adds, "to keep this thing quiet."

"Do you think this could be another constitutional departure?"

FHA looks ahead

Ronald Barnes, the new chairman of the Finance Houses Association, insists that there is no conflict within the assocaton between members who were forced to seek support from the "lifeboat" in the aftermath of the secondary banking crisis, and those who survived on their own resources.

Barnes himself falls into the latter category since he is responsible for the U.K. lending activities of Lombard North Central, the National Westminster finance house subsidiary. In that he is in marked contrast to his predecessor, Humphrey Oliver of United Dominions Trust: UDT was one of the biggest recipients of assistance from the lifeboat.

The new chairman hopes to spend his two years in office looking forward rather than back. The crisis is over, he says, even if the aftermath remains, and his main worries now are the search for "fair competition" in consumer lending, and the major burden which implementation of the Consumer Credit Act will impose on finance houses. He also has to find new premises for the FHA: the association may be standing up well but, its building in St. James's has started to show structural weaknesses.

U.S. blues

The bald announcement yesterday that Scottish and Newcastle Breweries is to sell its California-based Simi Winery subsidiary less than two years after it bought the company cloaks a considerable disappointment at S and N. Commenting on the decision, Peter Molony the new S and N finance director said: "It was a painful decision but a good, positive one. It is good for a management to own up to mistakes."

When Simi was acquired in August 1974, S and N cherished great hopes of the diversification. At the time Peter Balfour, S and N's chairman, heralded the deal as "a splendid opportunity for getting into the fast-growing U.S. wine market and making use of the marketing strength of our U.S. company."

To achieve these ends S and N *was prepared for a £350,000 loss* in the first three years of operating Simi while stocks and capacity were built up. In the event, however, Simi lost more than that in the first financial period of operation, and so far *losses total more than £750,000.* Currently losses are continuing at the same rate in dollar terms, made worse for S and N in sterling terms by the fall in the pound.

Ironically, even the marketing *aspect went wrong. The hope* that S and N's U.S. subsidiary, Scottish and Newcastle Importers, would have its marketing efforts bolstered by having a bigger portfolio of products to offer was dashed. *Instead, the management team* had to spend so much time on Simi that sales of the group's Scotch whisky brand, Cluny, actually began to suffer.

Fortunately for S and N it has found a willing buyer for Simi in Schieffelin and Company of New York at what Molony claims to be a good price. However, there is still a significant loss on the original purchase price, the extent of which will only emerge when the group's results are published.

Entitled

Company chairman's lunchtime explanation yesterday of the meaning of that august body ICFC—"I Came For The Cash."

Observer

POLITICS TO-DAY

BY DAVID WATT

A gingerly grip on the Scots thistle

E FUTURE of British itics depends at present on factors—the course of the nomy and the turn of events Scotland. The understand- e obsession of politicians and media with the first of these ring the last three months obscured important develop- nts which have been taking ce in the second. But now t the Chancellor's concordat h the unions heralds, with k, a period of relative quiet the economic front it is portant to seize the chance have another look at the ottish affair.

First the political background. ere seems general agreement t, for the present at any rate, tide of nationalism in Scot- d has receded a trifle. In ty political terms the opinion ls show that the SNP has t a little ground since the n of the year and that bour has gained. The present ings show Labour at a little r 30 per cent., the SNP at t under 30 per cent. and the nservatives a point or two be- d them. The Liberals have lined fairly steadily since the t general election and the w breakaway Scottish Labour rty of Mr. Jim Sillars has led to make much overall pression. Both have around 5 cent.

Theological

The exact cause and signifi- ice of these shifts is naturally subject of fierce argument. it that longer acquaintance s caused the Scottish popula- n (only about 25 per cent. whom are shown by the polls be in favour of complete in- pendence for Scotland) to llise that the SNP are basic- y separatist and not simply pressure group for devolu- n? Is it that the Government's oposals for devolution have made a good impression? Is it simply that the opponents of devolution are at last making their voices heard effectively? Or is it just plain boredom on the part of the Scottish electors with the whole endless argument?

Perhaps it is a mixture of all these. Certainly the visitor to Scotland is immediately made aware of the last two. Some parts of the Establishment are having second thoughts about radical schemes for devolving power. To a greater or less extent such corporate bodies as the Scottish CBI, the Chambers of Commerce, the doctors, universities, the legal profession and the chartered accountants have been obliged, thanks to opposition within their midst, to express reservations about the White Paper. At the same time so much space in the media has been devoted to theological discussion by the devolutionary schoolmen of the merits of a thousand gradations of constitutional innovation that, for the individual citizen, satiety has been reached.

On the other hand it makes a good deal of difference whether some disenchantment with the SNP as such, or approval of the Government's White Paper of last November (*Our Changing Democracy Cmnd. 6348*) is the more powerful factor in the developing situation. The Conservative Party is about to act in accordance with the first explanation and the Labour Party with the second.

I have phrased the last sentence carefully; for while the Conservatives may be "acting in accordance" with a belief that the nationalist tide has reached high water-mark, the truth is that they do not have much choice in the matter. Being caught between their last election promise of a directly elected Assembly for Scotland and the determination of anything between 100 and 150 Conservative MPs at Westminster to maintain the *status quo* they are bound to compromise—and at a point on the devolutionary scale far lower than the Government.

Drawback

It is, therefore, foreordained, irrespective of the merits of the case, that Mr. William Whitelaw is going to get up at the Scottish Conservative Conference in Perth next week to indicate the Shadow Cabinet's support for a half-hearted scheme that the Tories have had lying around. The scheme, originally concocted by a committee under Sir Alec Douglas Home, provides for a purely legislative assembly with no executive powers. It would be permitted to process the committee stage of bills affecting Scotland and to debate Scottish policy; one or two Ministers at the Scottish Office might even be drawn from it. But ultimate power would lie with the Secretary of State for Scotland, responsible to the Westminster Parliament (which could, of course, override the legislative views of the Scottish Assembly).

The detailed defects of such a plan have been exposed many times—the chief drawback being its tendency to maximise petty frictions between the Edinburgh assembly and Westminster. No doubt a full blown Scottish Parliament with an executive would have its quarrels with Westminster, but at least these could be regulated by clear demarcations of their respective jurisdictions. Under the Conservative plan there is no such distinction; for the Conservatives' Assembly, being in effect a third chamber of the British Parliament, would have tension as its very essence.

Bunkered in Scotland: Mr. William Whitelaw, a former Captain of the Royal and Ancient Golf Club.

But one does not have to look as far as these technicalities to see what many senior Conservatives privately acknowledge—namely that the scheme is liable to have the worst of all political worlds. It will annoy and alarm the defenders of the *status quo* without having the faintest chance of fulfilling its intended function of assuaging devolutionary sentiment. Yet what else is to be done? Support for anything like the White Paper would be howled off the stage by the party in England.

On the other hand the old pledge of an Assembly, repeated by Mrs. Thatcher, cannot be welshed upon without (a) splitting the party in Scotland calamitously, and (b) making the 16 Conservative MPs in Scotland sitting targets for SNP and Labour opponents. It may be true that the SNP tide has fallen an inch or two but only five Conservative MPs in Scotland and a diehard minority (whose exact size will presumably be demonstrated at Perth) are prepared to defy the evidence of the opinion polls which is that only 10 per cent. of the Scottish public at the very maximum is in favour of no change at all.

While the shadow Cabinet has been struggling with this intractable problem the Government has committed itself more and more deeply to two propositions—that its electoral salvation in Scotland (and hence, in all probability in Britain) lies in devolution; and that if devolution is to be undertaken, nothing less than root-and-branch methods will suffice at this late stage. This deepening commitment has been marked by the conversion of a number of sceptical ministers as a result of visits to Scotland—among them the Prime Minister, Mr. Roy Jenkins, and Mrs. Shirley Williams, and by a growing consensus within the Scottish TUC and Labour Party based upon the increasing enthusiasm of the devolutionists and the increasing electoral fears of the old-guard opponents of devolution.

The first of these—together with the departure of Mr. Willie Ross from the Scottish Office and the infusion of new ideas by the substitution of Mr. Michael Foot and Mr. John Smith for Mr. Ted Short and Mr. Gerald Fowler—has given new impetus to the task of preparing the Devolution Bill for next autumn's session of Parliament. Much paper is flying around Whitehall at present and there is much activity in the three committees—two ministerial and one official—which deal with the subject. Meanwhile the reactions of the trade unions and parties in Scotland to the White Paper have forced a rethink of at least three major aspects of the original White Paper policy.

Universities

One is the question of the universities which the White Paper left under the supervision of a single U.K. University Grants Committee. This has been challenged but seems likely to stand. Of more political significance is the demand that the residual powers proposed for the Secretary of State should be vastly reduced in order to keep down possibilities of friction between Edinburgh and London.

This demand seems likel yto be met. The intention is apparently to hand the Scottish Development Agency entirely to the Scottish Assembly; to give some judicial body the right to say whether proposed items of legislation in the Assembly are properly within its powers; and to leave the policy veto, which the White Paper bestowed explicitly upon the Secretary of State, as an intrinsic power implicit in the notion of the ultimate sovereignty of the Westminster Parliament.

These alterations, which take devolution a step beyond the White Paper, have upset the Government's original time table. So has the realisation that a smooth relationship between a Scottish Assembly and Westminster will depend critically upon very precise drafting of those parts of the bill—and they will be many—which delimit the boundaries of the two bodies. It now seems certain that the original idea of publishing a dummy bill this summer as a discussion document has had to be dropped.

Where does all this leave the chances of getting a Devolution Act onto the statute book? The opponents of devolution naturally claim that they are slim. Men like Mr. Teddy Taylor, the Conservative Member for Cathcart and Mr. Ian Sproat, the Member for Aberdeen South, clearly believe that their campaign will rally Conservative opposition in Scotland and possibly wider opposition as well. They then hope that the Shadow Cabinet will abandon its own scheme or at any rate join in a full-blooded assault on the Government's. Granted that many Labour MPs from England are sceptical or hostile, they argue that it will be impossible to get a guillotine motion through the House of Commons on the Bill, and that in the absence of the guillotine they will be able to sabotage the whole affair as easily as the scheme for the reform of the House of Lords was destroyed in 1969.

This possibility is not entirely far-fetched and it has haunted "Labour professionals" for many months — hence Mr. Callaghan's mutterings of the past about producing a new mandate for the change. The trouble is that no such appeal to the ballot box can easily be devised. A referendum from which the predominantly anti-devolutionist English were debarred would be impossible. A general eection held before the promise of a Devolution Bill was fulfilled, would probably spell disaster for Labour in Scotland. The only choices which remain open to the Government are either to put forward a Bill which it half expects will fail — hoping that it can lay the blame for the failure on the Conservatives — or else to make the affair a matter of confidence and whip its English followers through the lobbies.

A year ago I might have predicted the first solution but today I fancy it will come to the second. The survival of Labour popularity in Scotland at a time of appalling economic difficulty suggests to Ministers that they are on the right track. Devolution may be a slippery slope to separation or again it may not; but in any case, the possible dissolution of the Kingdom with Devolution is now compared around the Cabinet table with the certain dissolution of the Labour majority without it.

Letters to the Editor

The tanker crisis

From Mr. A Carpenter.

Sir,—You have recently carried letters commenting on the Lombard column of April 26. In this column Lombard refers to our survey "The Tanker Crisis: Causes, Effects and Prospects to 1985." In view of the contents of the letters I feel it is necessary to point out that the statements made by Lombard do not in all instances correspond to the views and opinions contained in our survey.

Lombard states that the private sector in the tanker market has "no one to blame but their own practitioners" for the present distressed state of the market. In his letter of April 29 Mr. Barber appears to support this view suggesting that tanker owners "are wholly responsible for their troubles." Mr. Barber goes on to hint, however, at (what our survey considers) a more reasonable conclusion by asking "who made it possible?" The conclusions of our survey are more in line with the views expressed by Mr. White in his letter of April 29, where he suggests that "tax incentives to shipowners, direct or indirect subsidies to both shipowners and shipbuilders and guarantees to bankers" had a distorting influence on market forces.

To put the record straight, one of our conclusions was that to some extent the problems of owners were caused by the October, 1973, crisis, but they are due to a great extent to the general incentives available to owners to expand their fleets, which obscured long-term cash flow prospects." We suggest that policies of Governments to encourage tanker construction primarily through offering subsidies for shipbuilding and tax incentives to owners were a major cause of over-building, and therefore a significant contributory factor to the present crisis.

It is now time for Governments throughout the world to realise the folly of pursuing such nationalistic policies and to join forces in producing an international programme of shipbuilding and port development so that the present tanker surplus can be eliminated as soon as possible and to ensure that such a conceivable crisis does not recur.

Market

The private sector in the tanker industry performs a vital and valuable function, and it is essential that private operators be allowed to continue to perform this function in conditions which will not encourage them to overlook the realities of the market mechanism. Subsidy schemes and taxation policies should not be pursued which generate a level of tanker capacity inconsistent with realistic forecasts of tanker demand.

Unless action is taken now, the yards will inherit ships which they do not want, the skills of shipownership will be dispersed, yards will leave the sea probably never to return and no doubt add to the chronic unemployment situation. Those tankers which are not sold at distressed prices will well disfigure the scenery for a considerable time and some inevitably until they rot there. These are just a few of the many reasons for a concerted effort to remedy the situation.

Intertanko, with the help of the banks and insurance companies, can help remedy the position. For example, if segregated ballast tanker rulings could be based on all tankers being built and no further new building started until existing tankers could be converted to SBT, yards would be occupied for several years. Carrying capacity of the fleet would not be increased by shipbuilding for that number of years, and would be actually reduced by some 20 per cent. due to SBT, and further by scrappage. The effect of this would be that freight rates would rise, enabling owners to repay conversion costs and fulfil mortgage obligations, and the seas might be a little cleaner for a little longer. Let those who are in the industry stop wringing their hands and get down to some hard thinking on working along these or similar lines. Such solutions will inevitably have to be paid by the final consumer of oil, but this price will be preferable to seeing the demise of the independent owner.

One final comment needs to be made about one of the statements made by Mr. White where he says that "a 10 per cent. margin (tanker surplus) is not so horrific." Certainly such a surplus could be tolerated for a limited period.

The outlook prior to the October 1973 crisis, however, was that not only would such a surplus develop, but also that it would have persisted for a long time even had there not been the events of 1973. This would have been a situation which could well have been horrific for the tanker market, although not so horrific as the situation which in fact has developed.

A. B. Carpenter,
Director,
H. P. Drewry
(Shipping Consultants),
Palladium House,
1-4 Argyll Street, W1.

Anomaly of tax relief

From Mr. D. Crossman.

Sir,—Mr. Gregory is right (May 4) to point out the anomaly of tax relief being given against mortgages but not against rent. Surely the morally just way to behave is to give tax relief against the essential provision of providing oneself and one's family with living accommodation.

The quid pro quo however should be that all rents, including council house rents, should rise to the market level and not be subsidised out of taxation. The further advantage of this would be that the net gain to the Treasury—through lower grants to councils—would enable us to give much greater help to those who are not in a position to properly afford accommodation even at the subsidised rate.

This might get us one small step along the road to subsidising people who need help rather than bricks and mortar which have a market value. Incidentally the politicians might care to note that people have a vote and houses don't!

D. Crossman.
22, *Ancastle Green,*
Henley-on-Thames, Oxfordshire.

South African attitudes

From the Information Attache (Transkei),
South African Embassy.

Sir,—P. V. Tulisizwa Mbutha, who claims to be the Honorary Personal Representative to Chief M. Gatsha Buthelezi, makes inaccurate references (April 29) to the Transkei and in particular to the Chief Minister, Paramount Chief K. D. Mantanzima.

Transkeians do not recognise Nelson Mandela as their leader. He was only recognised as leader of the African National Congress. Chief Matanzima's plea was for amnesty of all Transkeian prisoners. The request was directed to Mr. J. Kruger, the South African Minister of Justice, not to Mr. B. J. Vorster, the Prime Minister. Chief Matanzima declared that he will continue to negotiate for the release of all Transkeian prisoners on independence day.

The Independence of the Homelands is a genuine popular fulfilment of the Black people's aspirations and it is important to note that all Transkeians will be given yet another chance to express their views on the independence issue in August, when they go to the polls in a general election. It is indisputable that all Homeland leaders hold meetings in Soweto as well as in other parts and cities of South Africa.

Furthermore, Stewart Dalby (April 30) incorrectly alleges that there was confusion in the minds of Transkeians on the issue of citizenship. Transkeians will be citizens of an independent Transkei. "These are the persons who by birth or first degree descent or as a result of some voluntary act of their own, have already become or have identified themselves as citizens." Clause 57 of the Draft Constitution makes it clear that such persons will become citizens of the independent Transkei only if on October 26 they are already citizens of the former self-governing territory of Transkei. Transkeian citizenship will not follow if a child becomes the citizen of another country at birth.

Chief Matanzima said that "Xhosa people *of the Transkei* would have the option of remaining citizens of the Republic or becoming citizens of the Transkei." If any Transkeian renounces or does not intend becoming a citizen of the Transkei and prefers South African citizenship, that person should settle the issue with the South African Government.

Of the 1.7m. Transkeians said to be in the Republic of South Africa, the majority have no intention of renouncing their homes and their people in the Transkei. The overall majority of these people welcome the independence of the Transkei and its citizenship. The figures given by Mr. Dalby of Transkeians who might be adversely affected, therefore create a wrong impression, but none will be stateless as is wrongly alleged.

Alm Socikwa,
SA Embassy.
Trafalgar Square, W.C.2.

Too few cooks

From The President, Institute of Chartered Secretaries and Administrators.

Sir,—Michael Dixon (May 3) highlights the fact that the abilities being fostered by our education system seem out of line with those required for the running of our economic and associated activities. This is not surprising when one considers that professional bodies and employers are not given sufficient opportunity or encouragement to influence the education of employees of to-morrow.

My own institute does not believe that the determination of the courses, curricula and examinations of pupils in our schools should be the exclusive responsibility of those engaged in the education field. While it is of course essential that they should have a large say in these matters, an important missing ingredient is the contribution which should be made by people with first-hand knowledge and experience of employment in which pupils will spend over 40 years of their adult lives.

It is, I think, significant that of the 70 or so members of the governing body of the Schools Council, a large majority represent educational interests. Other representation is minute; one member from the CBI and one from the TUC. My plea is for a much closer relationship between educational bodies, such as the Schools Council, and representatives of employers, employees and professional bodies. Occasional consultation is not enough; what is needed is genuine participation to ensure that the education and examinations of young people not only satisfy current educational theory, but take account of the demanding world in which they will have to earn their living and make their contribution to national prosperity.

John Wedgwood.
Institute of Chartered Secretaries and Administrators.
16, Park Crescent, W.1.

Profligacy with water

From Mr. C. Carvalho.

Sir,—Further to David Fishlock's article of April 30, and P. E. Millington's letter published May 4, I should like to add that the position of profligacy is such that the water shortage will persist for many years to come unless action is taken now.

Mr. Millington quotes a price for a certain gallonage, and our own experience is that the savings can be very great in relation to the capital cost. In a great many cases manufacturers using plants of ultra-modern design have been able to achieve capital repayment within a matter of months. This is a positive contribution to their balance sheet, and would have thought would prompt them to install proper recycling plants at great speed. Expenditure on this plant, however, is considered with other capital expenditure, but surely it is now time for this to be given priority.

The Electricity Council has recently announced its interest in water recycling, and we can assure you that would-be users would find that this system is possibly the cheapest available in the world for the removal of suspended solids from liquid.

Christopher Carvalho,
Director,
Morgett Electrochemicals
27, Tower Road South,
Heswall, Wirral,
Merseyside, L60 7SY.

Dutch elm disease

From Mr. D. R. Clifford and Mr. L. R. Cooke

Sir,—The writer of your "Agriculture" column (April 29) refers enthusiastically to the use of "Aerodex" fungicide (which has as its active ingredient, 8-hydroxyquinoline, commonly called oxine) for the control of Dutch elm disease (DED).

Work in the 1940s at the Connecticut Agricultural Experiment Station in the U.S. and recently by the Forestry Commission and by us indicates little prospect of 8-hydroxyquinoline being a practical treatment for DED. Furthermore, elm trees suffered considerable damage to the foliage when we injected them with 8-hydroxyquinoline (as hydrochloride) at one half the concentration used by Aerodex.

Unless the aerosol propellant or the solvent itself has unexpected effectiveness as a fungicide, our work on redistribution of chemicals post-injection makes it difficult to believe that injecting oxine in a non-aqueous solvent would result in uniform movement of the fungicide throughout the tree.

The Forestry Commission has indicated its willingness to evaluate "Aerodex" fungicide for DED control and to make its findings known as early as possible.

D. R. Clifford.
L. R. Cooke,
Long Ashton Research Station,
Long Ashton,
Bristol.

To-day's Events

GENERAL

Mr. Denis Healey, Chancellor of the Exchequer, speaks at annual dinner of East Edinburgh Labour Party, Musselburgh.

General Ernesto Geisel, Brazilian President, ends State visit to U.K.

Mr. Anthony Crosland, Foreign Secretary, continues visit to China.

Duke of Edinburgh opens new British Antarctic Survey building, Cambridge.

BP, National and Total oil companies follow lead of Shell and Esso in withdrawing their prices support subsidies to retailers.

Mr. Edward Heath MP presents British Press Awards, London Press Centre, E.C.4.

Sir Geoffrey Howe, Shadow Chancellor of the Exchequer, is principal speaker at taxation conference, Cambridge.

UN Conference on Trade and Development continues, Nairobi.

World Airports conference continues, Brighton.

National Union of Agricultural and Allied Workers' conference continues, Malvern.

PARLIAMENTARY BUSINESS

House of Commons: Private Members' Bills.

COMPANY MEETINGS

Alliance Trust, Dundee, 11.30. Brakspear (W. H.), Henley-on-Thames, 11.30. Brown and Jackson, Blackpool, 12. Clifford (Charles), Birmingham, 12.30. Jacobs (John I.), 14-20, St. Mary Axe, E.C., 11.30. Pye, Hyde Park Hotel, S.W.12. Ransomes Sims and Jefferies, Ipswich, 3. Richards and Wallington, Birmingham, 12. Sharna Ware, Manchester, 12.30.

OPERA

Royal Opera production of Eugene Onegin, Covent Garden, W.C.2., 7.30 p.m.

BALLET

London Festival Ballet dance Parade, Mendelssohn Symphony, and Le Coq d'Or, Coliseum Theatre, W.C.2, 7.30 p.m.

MUSIC

Janet Baker (mezzo-soprano) and Geoffrey Parsons (piano) in works by Schubert, Liszt, Debussy, Fauré, and Berkeley, Royal Festival Hall, S.E.1, 8 p.m.

Angela Brownridge gives piano recital of music by Poulenc, Scriabin, Debussy, and Chopin, Purcell Room, S.E.1, 7.30 p.m.

Penelope Thwaites gives piano recital of works by Bach, Beethoven, Rachmaninov, Malcolm Williamson, and Percy Grainger, Wigmore Hall, W.1, 7.30 p.m.

SPORT

Equestrianism: International Dressage, Goodwood. Tennis: Paddington tournament. Basketball: Olympic qualifying tournament, Edinburgh.

COMPANY NEWS + COMMENT

Dunlop earnings expand in second half

TURNOVER of Dunlop Holdings exceeded £1bn. for the first time in 1975 and profits before tax rose to £52m. from £44m. Attributable profits were up to £15m. compared with £10.1m.

First half pre-tax profits were £19.83m. (£20.83m.) and the attributable figure, £5.27m. (£5.51m.). The directors said then that indications were that attributable profits in the second half would be above those of the first six months.

Trading results for the first quarter of the current year are ahead of 1975, the directors report.

A substantial increase in the capital expenditure programme for 1976 is already well advanced both in the United Kingdom and Overseas.

The final dividend is 1.95p net per 5p share making a total of 3.575p compared with 3.3p previously. Stated earnings per share are up from 9.7p to 14.7p before extraordinary items.

After all the adjustments for inflation the "real" profit attributable to Dunlop holders, without regard to holding gains, was £4.3m., representing a substantial improvement in "real" terms during 1975, the directors say.

The engineering and industrial groups in the U.K. had a good trading year. The tyre business in Europe and the U.S. remained depressed, although in the later months of the year there was some improvement in the U.S. Activities in India, Nigeria and South Africa did well.

The share of associated companies' profits rose substantially, mainly due to good results from Société Internationale Pirelli's activities.

Capital expenditure during the year amounted to £29m. which was the same as the previous year. Net current assets rose by £16m., this being the difference between increases due to expressing overseas assets in sterling and decreases resulting from more effective cash control.

Cash flow of £47m. was therefore more than adequate to cover the group's requirements. As a result borrowings were reduced and at the end of 1975 gearing was 61 per cent. (68 per cent. in 1974).

	1975 £m.	1974 £m.
Outside sales	1,013	938
Operating profit*	68.1	60.6
Miscellaneous income	1.0	1.7
Associate share	15.4	9.8
Profit	80.1	70.5
Interest payable	24.1	23.8
Exchange losses	4.0	2.6
Profit before tax	52.0	44.1
Tax	35.5	24.4
Net profit	21.5	19.6
Minorities	6.5	9.5
Attributable	15.0	10.1
Extraordinary credit	—	9.5
Preference dividend	0.6	0.6
Ordinary dividends	5.5	5.5
Retained	10.9	7.5

* After depreciation £72m. (£62.8m.).

Excluding Industrie Pirelli, the results of Dunlop Pirelli Union, as they affect Dunlop holders, show an increase in sales of 14 per cent. to £1,490m., and profits before tax of £97m. (£67m.). The improvement derived almost entirely from Dunlop and Pirelli companies operating outside Europe, although both Dunlop AG and Veith Pirelli AG returned to profitability in Germany.

Including Industrie Pirelli, the sales figure is £1,790m. (£1,590m.) and pre-tax profit £69m. (£56m.).

The substantial losses of Industrie Pirelli have already been reported in Italy as well as the capital reconstruction whereby Industrie Pirelli is to have a rights issue. Dunlop will not be taking up its share of these rights.

See Lex.

HIGHLIGHTS

Dunlop has had a substantially better second half while there is further earnings growth in the first quarter and capital spending will be very much higher this year. Lex also takes a look at **National and Commercial Banking** where profits have shown a useful improvement in the first half due to better banking margins and the absence of any special provisions. Elsewhere **Whessoe** has moved into the black while there is a forecast of profits totalling some £1.8m. for the year but there are doubts about prospects beyond 1976. **Dutton-Forshaw** has had a much better second half and the full year total is 34 per cent. higher. Lower interest charges at **Marshall's Universal** have helped to push profits up by 15 per cent. at the pre-tax level.

Lighting & Leisure advance

WITH BOTH divisions again increasing profitability, pre-tax profit of Lighting & Leisure Industries rose from £287,400 to £351,876 for the half year to January 31, 1976.

Restated earnings per 10p share are up from 1.98p to 2.37.

The interim dividend is 1p net per share and it is intended to pay a similar final making a total of 2p, as forecast at the time of last December's one-for-one rights issue. In the previous year a single net interim of 2.3p was paid, on record pre-tax profits of £723,900.

Sales in the half year increased from £3.76m. to £4.13m. and trading profit from £320,032 to £393,971.

Pre-tax profit is struck after depreciation and amortisation up from £32,632 to £42,085. After tax raised from £148,000 to £182,000 net profit was up from £139,400 to £169,876.

The chairman, Mr. N. H. Davis, says that the benefits of the last year's good summer enabled the leisure division to refill quickly the empty pipeline between manufacturer and consumer.

The group will be able to take advantage of any quick trade destocking against consumer demand in the coming summer and thus enjoy what could be described as "more than one season's trading in the year."

● comment

Although Lighting and Leisure says it is still feeling the squeeze of inflation, trading margins at 9½ per cent. in the first half have held steady at last year's overall average while pre-tax profits have risen 22 per cent. on a turnover increase of 9.8 per cent. Comparative figures for the current half will have to take into account the set-back to production in the lighting division last year after the 1974 fire. But present trading buoyancy, although partly seasonal, points to increased profits over and above that. The main impetus would come from the leisure side (accounting for some three-quarters of total turnover) where even the effects of adverse weather from now on could be largely offset by retailers restocking after the good 1975 summer. Meanwhile, after last November's rights issue, the company continues to seek a British acquisition while, encouraged by growing exports, it plans intensified marketing efforts across the Channel and in the Middle East. With the shares at 37½p the market capitalisation is now about £3.1m. and the yield 8.4 per cent.

£1.36m. by Dutton-Forshaw

TURNOVER for 1975 of Dutton-Forshaw Group increased from £84.72m. to £92.12m., and pre-tax profit advanced from £1.02m. to £1.36m., after £1.02m., against £0.59m., for the first half.

Stated earnings per 25p share increased from 2.8p to 4.4p, and the dividend is lifted from 1.73875p to 1.75p net with a final of 1.25p.

The company is engaged in the distribution and construction of motor vehicles and agricultural equipment.

● comment

After a 42½ per cent. downturn at the half-way stage Dutton-Forshaw staged a strong second-half recovery to lift the full-year pre-tax level by 34 per cent. Comparison with a very depressed period in the second half did flatter the recovery to some extent, but the group also enjoyed an upsurge in demand for agricultural equipment which took the British and Canadian subsidiaries up to a substantial level, after a break-even at half-time. New car sales were depressed throughout the year as breakdowns in supplies from British Leyland restricted volume growth. However, used car sales rose steadily during 1975 and the group also benefited from increased concentration on spare parts and servicing. Growth this year looks like being at a rather slower pace, but British and Canadian is still making progress and so far there is no sign of a slowdown in used car sales. In the short term then the shares at 28p, which yield 10.1 per cent., look reasonably well supported, though in the longer term if the used car market is unable to maintain its present level the group's high gearing—the borrowing ratio is now around 106 per cent.—could give some cause for concern.

Marshall's Universal upsurge

TURNOVER for 1975 of Marshall's Universal increased from £22.9m. to £23.42m., and pre-tax profit expanded from £1.57m. to a record £1.81m., after an advance from £0.8m. to £0.89m. for the first half.

Stated earnings per 25p share were 34.29p (34.38p). A final dividend of 3.09p on capital increased by scrip and rights issues effectively raises the net total from 5.58p to 6.045p.

A substantial increase in profits from U.K. activities is expected in 1976 because recent acquisitions will be contributing to results and further acquisitions are contemplated, the directors state.

Also sales of Peugeot motor cars in the first three months are up by 23 per cent., and higher cost problems, which adversely affected the component manufacturing company, have been rectified.

	1975 £000	1974 £000
Motor vehicle sales	17,061	15,808
Paper and board	4,070	4,821
Components	1,522	1,681
Food processing	439	394
Total sales*	23,421	22,905
Motor vehicle profit	1,466	1,348
Paper and board	49	265
Components	310	287
Food processing	8	3
Total trading profit	2,033	1,880
Interest charges	226	306
Profit before tax	1,807	1,574
Taxation	540	806
Minorities	230	168
Extraordinary debits	62	133
Applicable parent	675	473
Dividends	154	87
Retained	521	386

* U.K. £11.61m. (£10.72m.) and East Africa £11.81m. (£12.18m.). † U.K. £0.31m. (£0.5m.) and East Africa £1.59m. (£1.35m.).

In East Africa rising vehicle prices in relationship to a virtually unchanged monetary quota into Kenya resulted in a slight fall in unit sales and profits thereon in that territory. In Tanzania no new vehicle sales were permitted.

This situation, however, resulted in brisker demand for servicing facilities and new components and a substantial increase in profits from this source, the directors state.

Overall the position in 1975 was of satisfactorily increased profits from East Africa, they add.

● comment

A buoyant performance from motor distributing has more than offset the downturn from paper and board, and overall Marshall's trading profits are 8 per cent. higher. As a result of the £0.9m. rights issue last May, interest charges dropped by a quarter and at the pre-tax level the group's profits are ahead by 15 per cent. Motor dealing in the U.K. has been particularly strong, but in East Africa import quotas have led to a flat performance for new car sales, though spares and repairs more than compensated for this and the increase in African trading profits is 22 per cent. For the current year, operations in Kenya and Tanzania are expected to be similar to 1975, but Marshall's is looking for a recovery in the U.K. The M. and F. Components acquisition will be in for a full year and the company is currently looking at a possible acquisition in the paper and board sector which will probably cost over £½m. The shares rose 8p on the results to 132p where the yield is 7.2 per cent. and the p/e only 3½.

Peak £0.6m. by Hoskins and Horton

PRE-TAX PROFIT for 1975 of Hoskins and Horton improved from £487,923 to a record £649,229, after £324,300, against £246,800 for the first half. Turnover for the year expanded from £5.29m. to £7.02m.

Stated earnings per 20p share rose from 9.7p to 12.8p. A final dividend of 2.9p steps up the net total from 3.908p to 4.255p a share.

The company has interests in civil engineering, hospital equipment manufacture and building.

	1975 £	1974 £
Turnover	7,013,878	5,281,680
Pre-tax profit	649,229	487,923
Tax	345,897	257,998
Net profit	303,332	229,927
Preference div.	840	840
Ordinary div.	100,585	92,575

C. H. Pearce looks for higher profit

Reporting higher first-half profits and turnover, the directors of C. H. Pearce and Sons (Contractors) say present indications are that profits for the year ended May 31, 1976, will exceed the £587,971 for 1974-75.

On turnover, up from £2.35m. to £3.59m., pre-tax profits for the first half year ended November 30, 1975, rose by some 17 per cent. from £230,025 to £269,351. Turnover and profits continue to increase, the directors say.

The net interim dividend is 1.06p per 23p share compared with 0.96p—the previous total was 2.7385p.

The chairman, Mr. G. T. Pearce, says the present economic situation is having an adverse effect on the building industry. However the group has a satisfactory work load.

	Half-year 1975 £	1974 £
Turnover	3,590,388	2,347,194
Profit before tax	269,351	230,025
Taxation	142,400	124,938
Net profit	126,951	105,087
Interim dividend	13,269	12,082
ACT	7,154	6,505

Thompson Graham

Thompson Graham Group announces pre-tax profits for 1975 of £487,000 compared with £213,000. Turnover amounted to £1,128,264 against £728,913.

A final dividend of 2.65p is declared, making a total of 3.92p—the maximum permitted.

The directors state that the growth rate is continuing in 1976.

Tilbury Contracting cautious

THE CURRENT year is bound to be difficult for the construction industry and Mr. J. G. Beevor, retiring chairman of Tilbury Contracting Group, says it is impossible to forecast results.

The level of U.K. activities will still depend on the economic climate and its effect on the public and private sectors. The year has started in a strong position and an encouraging volume of new work has since been secured.

Mr. Beevor is confident that with the Nigerian associates the group will be able in due course to build up a profitable contracting organisation. Profits cannot, however, be expected from this new venture for some time.

It was possible in 1975 to set aside £1m. to cover the provision of plant to be shipped from the U.K. to the Nigerian venture.

As reported on April 1, group profit for 1975 was £2.05m. (£1.92m.) and the dividend is 16.53p (15.26p).

Meeting, 26, Finsbury Square, E.C., May 26 at noon. Mr. Patrick Edge-Partington will take over as chairman.

Hopeful outlook at York Trailer

In his annual statement Mr. F. W. Davies, chairman of York Trailer Company, confirms that the depressed trading conditions encountered in the second half of 1975 will certainly continue till late in 1976.

However, important technical developments now brought to the production stage by the company will act as valuable sales stimulants.

The expected effect on earnings justifies a considerably more hopeful outlook for York in a year which otherwise would be bleak.

Mr. Davies also expects a further growth in the company's exports in 1976 which will result in the major part of York's sales being made outside Britain.

As reported, group pre-tax profits fell sharply from £1.3m. to £0.66m. in 1975.

Meeting of the group (which is controlled by Northants Investments of Ontario) is at Northallerton, May 24 at noon.

Peak Invest. advance

A substantial rise in pre-tax profits from £80,805 to £126,620 is reported by Peak Investments for the six months ended November 30, 1975. In the year to May 31, 1975, the group recovered from a £27,473 loss to a profit of £223,370.

All sections are now operating profitably, the directors say, and it is anticipated that second half profits will not be less than those earned in the second half of last year.

They feel the group will now move into a period of increased profitability. A net interim dividend of 0.5p per 10p share is declared, the last payments totalled 0.875p in 1972-73.

Turnover for the first half amounted to £1.95m. against £2.39m. No provision has been made for U.K. tax due to trading losses brought forward but there is foreign tax of £7,364 (£11,016).

BRISTOL PLANT

Bristol Plant has offered to purchase any of its outstanding 7½ per cent. unsecured loan stock 1891-96 for £57 per £100 of stock.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Brixton Estate	0.59	July 30	0.54*	1.71	1.59*
Clement Clarke	1.25	—	1.2	2.12	1.95
Doranakande Rubber	0.78	—	0.72	0.95	0.88
Dutton-Forshaw	1.25	July 1	0.65	1.75	1.74
Dunlop	1.95	—	1.68	3.58	3.3
Guardian Trust	1.21	July 2	1.26	1.96	1.73
Joseph Holt	1.28	—	1.16	1.77	1.66
Hoskins and Horton	2.9	—	2.64	4.26	3.91
Lighting and Leisure int.	1(a)	July 15	2.3	—	2.3
Lovell's Shipping	5	June 30	4.97	5	6.97
Marshall's Universal	3.09	July 23	2.8*	6.04*	5.58*
Natl. and Commercial int.	1.15	July 1	1.05	—	2.14
Peacock Sasini	1.74†	July 7	3.3	2.74	2.5
C. H. Pearce .....int.	1.06	June 14	0.96	—	2.78
Roberts Adlard	2.23	July 1	1.95	3.55	3.26
Turriff	3.78	—	3.44	3.78	3.44
Utd. Capitals Inv.	0.53	—	0.43	0.9	0.8
Wemyss Inv. .....int.	2.8	June 21	2.8	—	8
Whessoe .....int.	1.63	—	Nil	—	1.63

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) On capital doubled by a rights issue.

Brixton Estate increase

NET rental income for 1975 of Brixton Estate rose from £3.21m. to £3.93m., and profit increased from £897,000 to £936,000 after tax of £333,000 compared with £215,000 and a transfer from capital reserve of £283,000 against £358,000.

A final dividend of 0.5825p net effectively raises the total from 1.3854p to 1.7095p per 25p share.

The directors state that since the beginning of 1976 there have been signs of a modest revival in confidence and a number of satisfactory lettings have been negotiated.

The company continues to look for new schemes, particularly in the U.K. and Europe and a number of interesting proposals are now being considered.

Properties held for, or in the course of development, have been valued by the property director, and in his opinion their value in aggregate exceeds their book figure.

Investment profit came to £1.61m. against £1.41m. There was no dealing profit (£62,000). Interest on properties in course of development cost £589,000 (£638,000) and miscellaneous capital expenditure amounted to £37,000 (£28,000).

Wm. Baird relying on textiles

In his annual statement to shareholders of William Baird and Co., chairman Mr. S. A. Field says he recognises the necessity of increasing earnings, and that the onus for this is on the textile operation.

A combination of some increase in demand and the benefit of changes to streamline the organisation and strengthen the management should bring about a considerable measure of improvement. And if additional investment is desirable to speed the process, resources are available.

He explains that the cash return from the relatively large element of capital invested in associates is affected by dividend limitation. Darchem is probably entering a period of consolidation after several years of steady growth (the unprecedented gap now apparent in the U.K. power station ordering programme will entail a substantial change in this company's mix of business within the next few years) and Services is reduced in scale by the closure of the mine.

Baird is now a less diversified and more compact group with a strengthened balance sheet and improved liquidity. Results overall for the first quarter of the current year show an improvement over 1975.

Group sales and services for 1975 amounted to £55.05m. (£59.84m.) and profits were £1.77m. (£3.1m.), as stated on April 15 in a full preliminary statement. The dividend is held at 7.535p net.

A good second half by Darchem offset a poor one by textiles. The year as a whole felt the full impact of the severe recession that affected virtually all sections of the textile industry.

Meeting, Glasgow, May 27 at noon.

Reed Paper improving

Reed Paper earned $C2.67m. or 21 cents per share after extraordinary items on sales of $C94.9m in the three months to March 27, 1976, compared with a net loss of $C3.97m. or 51 cents per share after extraordinary items on sales of $C99.8m. in the final quarter of last year.

Mr. R. W. Billingsley, president and chief executive officer, said at the AGM, the period was a difficult one for the company, as it was hurt by the strike at the Quebec mill, the effect of which lasted well into February, and by strikes and slowdowns in the British Columbian transportation industry, which reduced earnings from the British Columbian joint venture companies.

However, as the quarter progressed, sales in most of the product groups showed month-over-month gains that strengthen management's confidence in the recovery expected for this year.

Edward Le Bas outlook

The current investment of substantial funds for new plant and machinery will help the Edward Le Bas group to remain competitive in coming years, states the chairman Mr. A. R. Burrows.

If inflation can be reduced to 10 per cent. by the end of 1976 the country should be in a position to take advantage in the upward trend of world markets members are told.

Having completed its capital expenditure programme during the year the group should now be in a strong position, says Mr. Burrows.

As reported on April 22, turnover expanded from £12.04m. to £12.88m. in 1975 and pre-tax profits rose from £522,039 to £954,607. The dividend is 1.47p (1.365p) net.

An analysis of profits shows (£000's omitted):— Foundation equipment and contract materials £343 (£493), equipment distribution £2 loss (£16 profit), safety and relief valves £37 (£1 loss), engineering and electric vehicles £13 loss (£5 loss), foundry supplies £77 (£6), agricultural engineering 209 (£1), system building £11 loss (£ profit), joinery £35 loss £2 profit, group services £15 (£49). Finance charges took £165 (£155).

Inflation adjusted accounts show pre-tax profits at £566 on a current cost accounting basis and group assets at £2.07m. compared with an historic net book value of £1.89m.

The ultimate holding company is Le Bas Investment. Meeting Savoy Hotel, W.C., on May 25 at noon.

Roberts Adlard pays more

ON A TURNOVER up from £3.9[illegible] to £6.48m., pre-tax profits of Roberts Adlard and Company were marginally lower at £520,242 1975, compared with £527,423 1974, after being down from £185,000 to £154,000 at half-way.

Net profit for the year [illegible] £251,545 (£244,922), after tax £268,797 (£282,500).

Stated earnings per 25p share were 10.48p (10.21p) and the dividend is raised from 3.264p to 3.5473p net with a final of 2.234[illegible]

The business is that of roofing and builders' merchants, etc.

J. Holt makes and pays more

JOSEPH HOLT, brewers of Manchester announce profits for 1975 of £583,243 compared with £451,265, on turnover of £1,966,[illegible] against £1,416,219. Tax took £308,000 (£256,000).

Final dividend is 1.9831p per share making 1.7698p for the year against 1.63825p. Carry forward is £813,969 against £630,315.

ANCHOR CHEMICAL

Anchor Chemical Company proposes to increase its borrowing powers from about £1.35m. to about £2.5m. based on capital and reserves. Present borrowings are £1.28m.

ISSUE NEWS

STEAUA ROMANA COMPENSATION

Income from investment and bank interest for Steaua Romana was £13,046 in the half year to December 31, 1975, compared with £7,328. Managerial charges were £2,941 (£2,202) and the surplus before tax was £10,105 (£5,126).

The shares rose 7p yesterday to 27p on the expectation that the company will shortly be receiving compensation from the Romanian Government for oil property nationalised shortly after the Second World War.

It was announced earlier this year that agreement had been reached between the Romanian and British Governments. The official figure for the settlement has been revealed although it is estimated to range between £30m. and £40m.

RIGHTS RESULTS

Taylor Woodrow announces that the rights issue of 3,845,[illegible] Ordinary shares of 25p each at 240p per share made by the company on April 14 has been taken up as to 91.7 per cent.

Those shares not taken up have been sold at 280p in the market and the net proceeds will be remitted to the persons to whom the shares were provisionally allotted.

RESULTS AND ACCOUNTS IN BRIEF

BARLOWS (packers and warehousemen)—Turnover £256.076 (£200.866) for 1975. Profit £49.949 (£40.884) before tax £25.292 (£20.757). Earnings per £1 share 8.3p (7.0p). Dividend 7.13 per cent. net (6.5 per cent.).

BERWICK TIMPO (toy makers)—Results for 1975 with director's comments on prospects reported April 8. Group fixed assets £1.29m. (£1.26m.). Net current assets £1.92m. (£1.01m.). Meeting, 79, Wells Street, W., May 26, noon.

H. BRAMMER AND CO.—Results 1975 reported April 1. Group fixed assets £1.36m. (£1.62m.). Net current assets £5.08m. (£3.62m.). Chairman says group enters 1976 with more than adequate funds to support the trading programme. Meeting Manchester May 20 at 11 a.m.

BRITISH INDUSTRIES AND GENERAL INVESTMENT TRUST—Interim dividend 1.65p net (same) per 25p Deferred share. Gross income £147,300 (£147,100) for six months to March 31, 1976. Pre-tax revenue £102,300 (£102,200) after management expenses £12,900 (£14,000). Loan capital interest £35,500 (same) and dollar loan interest £4,500 (£5,400). To tax £18,800 (£38,200). Net asset value per Deferred share 124½p (104p).

Net asset value per Deferred share has been calculated on increased capital which would exist if the convertible unsecured loan stock were wholly converted on the first conversion date in 1978. Debenture and preferred stocks have been deducted at nominal values. No provision has been made for surrender of 25 per cent. of investment currency premium and tax on capital gains which might arise on future disposals of investments.

CANADIAN AND FOREIGN INVESTMENT TRUST—Due to unforseen circumstances it has been necessary to delay the holding of AGM by a few days. Consequently final dividend payment of 1.9125p net per share will not be despatched as previously notified but will be delayed until July 2 for payment on July 5. Record date remains June 3, 1976.

CITY OF OXFORD INVESTMENT TRUST—Final dividend 1.375p net per 25p share making 2.1½ (2.2p) for year to March 31, 1976. Gross income £98,834 (£199,872). Pre-tax revenue £140,678 (£149,705) after interest and expenses £47,836 (£48,827). Tax £40,599 (£53,661), leaving £100,077 (£96,044). Earnings per share 2.43p (2.3p). Net asset value 61.4p (63.4p).

CLAYTON SON AND CO. (HOLDINGS) (engineers) — Results for 1975 reported April 15. Group fixed assets £855,906 (£774,670). Net current assets £1.86m. (£1.28m.). Chairman says order position declines slowly on fabricating side and keeping up on machine tools. With inflation at present level, there is unwillingness for customers, both at home and abroad, to invest. Without confidence, business will decline and while constituent companies fully able to look after themselves, Government must be looked to for creation of conditions that will promote profitable trade. Meeting, Leeds, May 26, 2 p.m.

CLIFFORD'S DAIRIES—Results 1975 reported April 2. Fixed assets £4.25m. (£1.89m.), current assets £1.57m. (£1.21m.), current liabilities £2.37m. (£2.17m.). Chairman says company will continue to prosper. Meeting, Bracknell, May 26, 11.30 a.m.

DORANAKANDE RUBBER ESTATES—Final dividend 0.7825p net and making 0.95p (0.8525p) for 1975. Pre-tax profit £6,083 (£1,334) after deducting share of associate company's loss £8,313 (£15,314). Tax £5,056 (£1,399). Profit after tax £1,027 (loss £2,063). Earnings per share 0.1365p (loss 0.27p). Associated company (Dormal Investments) rentals from investment properties are at an annual rate of £13,650 for current year and company is now on profit-earnings basis.

LOUIS C. EDWARDS AND SONS (MANCHESTER) (butchers, meat canners and processors)—Results, for 1975, reported April 3. Group fixed assets £1.47m. (£1.43m.). Net current assets £51,828 (£487,594). Chairman says trading conditions remain extremely difficult, but group is budgeting for an improvement on 1975 figures. Meeting, Manchester, May 26, at 9.30 a.m.

FREDERICK W. EVANS (manufacturers of high precision thermo-setting and thermo-plastic mouldings) — Interim dividend 0.6p (0.65p—total 1.204p) per 10p share for year ended September 30, 1976. Sales for six months ended March 31, 1976, £881,000 (£331,000). Profit before tax £52,000 (£77,000). Directors say there is still general lack of confidence existing among customers, making forecasting impossible. Group is obtaining reasonable percentage of work available and still looks to future with great confidence.

FREEMANS (LONDON, S.W.9)—mail order—Results year to January 31, 1976, and observations on prospects reported April 8. Broad estimates of the likely effect of inflation accounting would have been to reduce profits by between £2m. and £2.5m., directors state. Group fixed assets £11.93m. (£11.89m.). Net current assets £27.11m. (£30.15m.). Meeting, Connaught Rooms, W.C., May 27, noon.

FOURTH CITY AND COMMERCIAL INVESTMENT TRUST—Income £2,553 (£9,469) half-year to December 31, 1975. Profit £1,007 (£331), after tax of £281 (£179).

HARTLE MACHINERY INTERNATIONAL—Results for 1975 with chairman's comments on prospects reported April 24. Fixed assets, £509,290 (£784,000). Net current assets, £1.55m. (£698,500). Meeting, Manchester, May 27, noon.

LYON AND LYON (tank and barge operators, ship and barge builders and repairers and Ford main dealers)—Results for 1975 reported April 29. Group fixed assets £1.21m. (£1.34m.). Net current assets £1.1m. (£0.93m.). Anticipated that group profits should increase in the current year, says chairman. Meeting Knottingley on May 25 at 12.15 p.m.

LYLE SHIPPING—Results for 1975 reported April 22, with observations on prospects. Chairman has every confidence that with composition of the fleet and development of other activities, group will be able to achieve a significant increase in trading profits again in 1977. Fixed assets £20.56m. (£13.1m.), investment in associates £1.83m. (£1.19m.). Net current liabilities £1.57m. (£2.19m.). Meeting, Glasgow, May 26, at noon.

MAGNOLIA MANUFACTURING COMPANY (makers of fine art mouldings, original paintings importers)—Results for 1975 reported March 26. Fixed assets £827,566 (£823,881). Net current assets £954,255 (£855,860). Chairman says group looks forward to future with strong balance-sheet and adequate financial resources to meet normal trading conditions. Ready to take advantage of any upturn in market. Meeting, Rochford, May 27, noon.

THOMAS MARSHALL AND CO. (LOXLEY)—Results 1975 and observations on prospects reported April 23. Turnover £10.86m. (£8.74m.)—home refractories £3.84m. (£4.03m.) and engineering £116,000 (£184,000); export refractories £6.83m. (£4.5m.) and engineering £40,000 (£24,000). Profits—refractories £989,273 (£590,717); engineering loss £56,383 (profit £5,010). Fixed assets £2.1m. (£1.92m.). Net current assets £1.56m. (£1.46m.). Meeting, Sheffield, May 26, noon.

MENTEITH INVESTMENT—Interim dividend 0.2p (same and 0.45p total). Gross revenue half-year March 31, 1976, £162,727 (£218,979). Net revenue after expenses and estimated taxation available for shareholders £90,169 (£86,363), tax credit £22,151 (£43,774 charge). Distributable earnings 0.32p (0.34p) per share. Amount absorbed by interim dividend £35,339 (£36,339). Net assets available £4,713,801 (£5,929,244 at September 30, 1975). Net asset value per 25p share 17.0p (14.2p). Tax credit is after writing back provision of £57,800 on sale of subsidiary in 1974 no longer required for repayment of corporation tax on group relief of £34,700. If dollar loan had been repaid at March 31, 1976, profit of £137,910 (loss £93,506) would have resulted which included full dollar premium arising on such profit. Allowance has been made in the total assets.

MIDHURST WHITE HOLDINGS—Building making sales, half-year to September 30, 1975, £216,795 (£171,201), antique business sales £44,319 (nil), rents received £115,789 (£115,324), group loss £8,[illegible] (£50,220 profit), tax nil (£32,291). No interim (0.41p net—no final). Figures includes the proportion relating to the half-year of a further loss arising on disposal in March, 1976, of the Northaw farm development. While directors expect that there will be a further group loss in second half, it is likely to be somewhat lower than that in first as a result of the continuing contribution from the brickmaking business and realisation of subsidiary of its interests in retail residential freeholds in the Midlands.

TAYLOR PALLISTER AND CO (engineers and makers of marine and other equipment)—Results 1975 reported April 13. Group fixed assets £232,736 (£240,[illegible]). Net current assets £451,399 (£258,[illegible]). Current level of orders is satisfactory and chairman considers this can be maintained. Meeting Newcastle upon Tyne, May 26 at 11 a.m.

UNITED CAPITALS INVESTMENT TRUST—Gross revenue £96,290 (£100,[illegible]) for 1975. Revenue £59,084 (£54,047) before tax £21,387 (£15,981). Retained £1[illegible] (£7,660). Final dividend 2.1 per cent. (1.7 per cent.) per 25p share, making 3.6 per cent. (3.2 per cent.). Net asset value 9.39p (11.52p) and at April [illegible] 1976, 23p.

E. UPTON AND SONS (retail shop owners)—Results year ended January 31, 1976, reported April 7. Group fixed assets £1.34m. (£1.46m.). Net current assets £607,938 (£447,094). Meeting, Middlesbrough, May 26, at 7.30 p.m.

WARD WHITE GROUP (footwear makers—Results for 1975 with chairman's comments on current year, reported April 24. Group fixed assets, £7.27m. (£7.68[illegible]). Net current assets, £2.52m. (£3.7[illegible]). Meeting, Wellingborough, May 27, noon.

WARNE, WRIGHT & ROWLAND (fastener makers, drop forgers and engineers)—Results for 1975 reported April 13. Group fixed assets, £2.53m. (£2.61[illegible]). Net current assets, £2.45m. (£1.81[illegible]). Chairman says group continues to maintain reasonable growth potential. Markets have been opened up in Germany, France and Italy. Meeting, Birmingham, May 27, at 12.15 p.m.

National & Commercial first half jump

OPERATING profit for the six months to March 31, 1976 of National and Commercial Banking Group expanded by almost 50 per cent. from £17.3m. to £25.8m. and pre-tax profits jumped from £19.04m. to £28.28m.

The directors say that in the present uncertain conditions it is particularly difficult to forecast results for the full year. In 1974-75 pre-tax profits came to £37.28m.

First half earnings are shown to be up from 4p to 5.8p per 25p share and the interim dividend is raised from 1.05p to 1.15p net. Last year's final payment was 2.093p.

	6 months 1975-76 £000	6 months 1974-75 £000	Year 1974-75 £000
Operating profit	25,802	20,304	42,258
Additional provs.	—	3,000	10,000
Share associates	2,479	1,737	4,973
Profit before tax	28,281	19,041	37,231
Tax	13,964	8,131	16,859
Associates' tax	1,228	924	2,580
Net profit	13,089	9,985	17,532
Pref. dividends	27	27	54
Earned for Ord.	13,062	9,959	17,478
Extraord. credits*	1,245	422	742
Ordinary dividend	2,583	2,388	4,817
Retained	11,721	7,621	12,398

* Include net surpluses on sales of fixed assets and reduction in provisions made against trade investments.

Despite a lower average base rate in the period sterling interest earnings have increased, report the directors. This is mainly due to the wider margin between base rate and retail deposit rate and less reliance on higher-cost deposits. Earnings from currency business have also increased. On the other hand costs have continued to rise though not as steeply as before.

The increase in the share of results from associates arises mainly from the good results of Lloyds and Scottish and the significantly improved situation at Finance for Industry. The increase would have been higher but for the share of the loss incurred by Associated Securities in Australia in its half-year to December 31, 1975.

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See Lex

Wemyss Inv. estimates little change

Wemyss Investment Co. estimates franked income of £238,000 for the year to September 30, 1976, compared with £252,000 last time and unfranked income of £152,000 against £134,000.

After management expenses of £28,000 (£23,000) pre-tax revenue should come out at £364,000 compared with £363,000.

After tax of £86,000 (£58,000) and tax credits applicable to franked investment income of £83,000 (£86,000), earnings will be 9.6p against 9.76p per £1 share.

An unchanged interim dividend of 2.8p per share has been declared. Last year's final was 6.2p.

The net asset value per share was 339p at March 31, 1976 (272p).

A value of £487,000 has now been placed on the company's shareholding in London and Scottish Marine Oil Company which cost £150,000. This was based on a price fixed by a broker's recent deal.

Downturn at Photax

In her annual statement, the chairman of Photax (London), Mrs. E. Jacobs, tells members that *in the first half of 1976 neither* sales nor profits will reach those of the first half of 1975—profits were £220,000 before tax.

January to April, 1975, were exceptional months and economic conditions are now more difficult than a year ago, she says.

Nevertheless the group is trading at a satisfactory level and first-half profits should at least *equal the £108,000 of last year's* second half.

As reported yesterday the full year's profit for 1975 was £328,173 against £234,283 on turnover of £3.55m. (£2.63m.). The dividend total is 2.217p (2.04635p) net.

Sales and profits of Photax (Ireland) increased during the year, but the Australian subsidiary is not producing a rate of return sufficient to justify the scale of the group's investment and the commitment is under review.

Menteith Investment holds 16.125 per cent. of the equity. Meeting, Eastbourne, May 28 at noon.

Guardian Trust revenue up

GROSS income of the Guardian Investment Trust Company improved from £2.14m. to £2.35m. for the year to March 31, 1976, and revenue was up from £1.6m. to £1.82m. subject to tax of £0.69m., compared with £0.57m.

Earnings are 2.03p per 25p share (1.83p) and the final dividend is 1.21p making a total of 1.96p, *against 1.75p. Net asset value per* share is 88.3p (64.3p).

Burrell in French venture

Two independent pigment producers, Burrell and Co. of London, and Cappelle Frères, manufacturers in France and Belgium, have formed a joint organisation, Chimie Union, to enhance joint and individual progress.

Areas of particular interest will be research and development, factory processes, and production methods. The companies confidently expect significant benefits.

The companies are of a similar size with broadly complementary product ranges and both specialise exclusively in the chemical colour industry.

F. C. Finance prospects

The provisions of the Budget, and the fiscal measures required to protect sterling, indicate a period of retrenchment which will create a more stable situation generally, says Mr. A. Sugden, chairman of F.C. Finance.

In the circumstances, the directors anticipate the company's level of profitability achieved in 1975 can be maintained in the current year, he adds.

As reported on April 8, group pre-tax profit was £341,000 (loss £127,000) and the dividend is 1.5p net (1.375p interim only).

The improvement in profit was brought about largely by a reduction in exceptional provisions, from £1,759,000 to £664,000, which was deemed necessary in the light of a further year's experience in dealing with the continuing problems created by the general state of the property market. Interest costs eased over the period but not sufficiently to bring about an *expansion in the credit market.*

The ultimate holding company is the Co-operative Wholesale Society.

Directors' emoluments include £5,500 compensation for loss of office. Meeting, Great Eastern Hotel, E.C., May 27, at 12.30 p.m.

Peacock Sasini downturn

INCLUDING a lower contribution of £14,869 from the associate company, compared with £45,026, taxable profit of Peacock Sasini Estates dropped from £634,542 to £367,067 for the year to September 30, 1975. Turnover was down from £1.43m. to £1.39m.

Referring to the principal subsidiary company, the directors indicate "an unprecedented profit" for the current year and because coffee, not tea, is the main crop, they say that the outlook for 1975-76 "is extremely promising."

Stated earnings per 10p share, including extraordinary items, are down to 2.9p, against 8.8p—dividend total is the maximum permitted 2.74493p net (2.49539p) with a forecast final of 1.74493p on enlarged capital.

	1974-75 £	1973-74 £
Turnover	1,385,535	1,436,987
Pre-tax profit*	367,067	634,542
Tax	178,315	328,013
Minorities	85,259	148,922
Extraord. credit	44,273	22,242
Attributable	97,601	137,344
Dividends	57,538	45,386
Retained	39,743	111,873

* Includes £14,869 (£45,026) share assoc. ‡ Debit.

Peachey growth prospects

CURRENT YEAR trading and investment operations of Peachey Property Corporation should show "a marked improvement" over the previous two financial years, says the chairman, Mr. E. M. Miller.

No detrimental effect is anticipated from the provisions of the *Community Land Act in respect* of present developments, he adds.

As known group pre-tax profit increased from £636,000 to £986,000 in the year to June 24, 1975.

Turning to the balance sheet, Mr. Miller says holders should not be concerned by an increase of £2.6m. to £11.63m. in bank borrowings during the year.

The development at Euston Station played some part in increasing short-term bank borrowings. However, arrangements have been made that will eliminate these borrowings in respect of Euston and also obviate the need to borrow any further monies in respect of this particular development. This has not been achieved by a scheme that in any way incurs financial responsibility on the company.

A property valuation threw up *a surplus of over £8m. which will* provide stability for further expansion. Were valuations of the same properties to be carried out at to-day's date the surplus would, *in the Board's opinion, exceed this* figure. A further valuation will be carried out when appropriate.

The auditors continue the qualification of their report in relation to the land in Northamptonshire acquired in partnership with Murrayfield Industrial Securities. As known summary Judgment has been obtained against MIS preventing them defending the action against them for the recovery of their share of the finance of this venture. They have lodged an appeal which, as yet, remains unheard but it is *understood the hearing is now* imminent.

Irrespective of the outcome of this litigation the directors are pursuing the planning application for this land to the Secretary of State, which, if successful, even in part, should ensure that no loss is incurred.

Regarding the need to consider the recoverability of some £280,000 paid out in connection with a proposed European venture which was not forthcoming, the directors *are considering together with* their advisers whether, if necessary, to take legal action for the recovery of the monies. It may well be that these monies will be recovered without recourse to court proceedings, says the chairman.

Meeting, Churchill Hotel, W., May 28, noon.

£0.79m. by Clement Clarke

A TURNOVER increase from £3.92m. to £5.25m. is announced *by dispensing opticians,* Clement Clarke (Holdings) for 1975 and profit improved from £0.48m. to a record £0.79m., subject to tax of £0.46m., against £0.25m.

When reporting first half profit up from £202,000 to £402,000, Mr. J. H. Clarke, chairman, said that there had been a reduction in demand for optical and medical *instruments in the U.K. owing* to Government economies in the Health Services. But he hoped that export business would expand further as the major trading *nations reflated* their economies. He was confident that a satisfactory result for 1975 would be realised.

Earnings at year end are shown *to be up from 5.6p to 8.3p per* 25p share—dividend total is raised from 1.95p to 2.12p net with a final of 1.245p. A one-for-five scrip is proposed.

	Half-year 1975-6 £000	1974-5 £000
Turnover	17,197	12,407
Heavy eng.	9,857	6,850
Light eng.	2,866	1,598
Alton	6,574	5,351
Trading profit*	1,825	267
Heavy eng.	627	†327
Light eng.	598	156
Alton	602	438
Depreciation	474	474
Interest charges	448	582
Profit before tax	877	†789
Tax	417	42
Net profit	460	†731

* After adjusting for minority interest in subsidiary. † Loss.

Whessoe back in profit with £0.8m. so far

A RETURN to profit, with a pre-tax figure of £877,000, compared with a loss of £709,000, is announced by engineers Whessoe for the six months ended March 27, 1976, and Lord Erroll of Hale, chairman, expects a higher profit for the second half.

Stated earnings per 25p share *are 5.1p (8.3p loss) and an interim* dividend of 1.625p net is being paid (nil). Last year a single 1.625p was paid and losses incurred totalled £1.3m.

Lord Erroll reports that heavy engineering has emerged from loss, with Dock Point showing a high level of activity and a positive profit. Light engineering and Alton have both maintained their excellent performance.

The new order intake is, however, not as satisfactory as the company should like, particularly in heavy engineering.

● comment

Whessoe has duly moved back into the black, and while the *group is forecasting a pre-tax total* for the year of at least £1.8m. pre-tax, compared with a peak figure of £2.3m. in 1972-73, the improvement may not be sustained at this level much beyond the end of 1976. After all, a sizeable part of the £934,000 first-half turnround on the heavy engineering side reflects the settlement of *past* claims and the extent of claims settlements in the current half will determine the extent to which the full-year forecast is exceeded. But the order intake at the major Darlington works has fallen and the continued strength of the light engineering and Alton divisions may be insufficient to offset any setback here in 1976-77. These doubts limit the scope in a capitalisation of £3.9m. at 65p even though the interim dividend payment suggests *a restoration of the total* to all or most of the previous level. Meanwhile, the balance-sheet has been improving following the cutback in new orders, *with overdrafts about £8m. lower* since September.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TO-DAY

Interims:—North Midland Construction, R.C.F. Holdings, Ulster Television.

Finals—Aberdeen Construction, Alginate Industries, Allebone, James Beattie, Leadenhall Sterling Investment, Mentmore Manufacturing, James Neill, Rush and Tompkins, H. C. Slingsby.

FUTURE DATES

Interims:—

Archimedes Inv. Trust	May 19
Northern American Trust	May 19

Finals:—

Airfund	May 12
Federated Chemical	May 12
French Kier	May 17
Gates (Frank)	May 19
Globe Investment	May 11
MacLellan (P. and W.)	May 11
Metal Box	June 8
Ocean Wilsons	June 8
Readicut	May 18
Usher-Walker	May 11
Walker and Staff	July 2

USM

The Stock Exchange has cancelled the listing of the common shares and warrants of USM Corporation, U.S. concern, at the company's request. This follows the plan for a merger of USM with Emhart Corporation.

Lovell's £387,000 loss

Lovell's Shipping and Transport Group incurred a pre-tax loss of £387,000 in 1975 compared with profits of £539,100 previously. Gross revenue was £10.49m. against £11.44m.

At halfway, when the loss was £943,300 compared with profits of £227,800, the directors said that *measures taken would enable* them to contain further losses.

A single final dividend payment of 5p net per £1 share contrasts with the 1974 total of 6.97p.

	1975 £	1974 £
Gross revenue	10,485,000	11,440,000
Loss before tax	387,000	*539,100
Credit	[illegible]	[illegible]
Extraord. items	73,000	—
Net loss	[illegible]	[illegible]
Dividends	[illegible]	[illegible]

* Profit. Charge. Terminal losses less tax, on closure of certain activities and rationalisation of other activities.

The directors report that with an unprecedented fall in 1975 in container traffic to and from the Continent and Eire the group incurred substantial losses in the *first nine months of which about* £100,000 can be attributed to losses incurred due to labour disputes in the Ports of London and Bristol. Drastic action was *taken and the losses were brought* under control.

With improved traffic flows since the New Year the group is now trading profitably and a modest profit is expected for the first half of 1976. The improvement is expected to continue for the second half. The liquid position is strong they add.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p	+ or −	Div. Last Amount	Times covered	Gross Yield	P.E. Ratio
—	F.P.	—	£22⅝	£21¾	Berry Pacific Rd. US$1	£21½	+1s.	60c	—	8.5	—
$10,000	F.P.	—	$10,000	$9,500	Brasilvest S.A.	par,000	.....	—	—	—	—
—	F.P.	—	£16⅛	£14½	I.C. Inds.	£16⅝	.....	£1.30	—	4.6	—

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price £	+ or −
US$100	F.P.	—	$100	$100	Barclays Bk Intl. 9¼% Cap. Notes 1985	$100	.....
$118p	Nil	18/5	7½	5	Bowring (C.T.) 10% Conv. 1987	5¾pm	−1
US$100	F.P.	—	$99	$98½	Brascan Int. Cap Corp 9¾% Guar Notes 1982	$98½	.....
**£999	£10	4/6	10¼	10	Chester Water 8% Red. Pref. 1981	10½pm	.....
**£999	£10	11/6	10¾	10	East Worcs. Water 8% Red. Pref. 1981	10pm	.....
£9m.$	F.P.	—	97	95	IBC 12½% 1985	96	+1
**£99½	F.P.	28/5	100½	99½	Hartlepools Water 8% Red. Pref. 1981	99½	.....
**£100	F.P.	11/6	87½	85	Howard & Wyndham 13% Uns. Loan 1975-81	88	.....
US$100	F.P.	—	99¼	96½	IAC 9¼% Notes 1981	$96½	.....
$100	F.P.	—	$100¼	$99¾	Manitoba 8% Deb. 1983	$99¾	.....
**£99½	F.P.	13/8	100⅛	99¾	Mid-Sussex Water 8% Red Pref. 1981	100½	.....
US$100	Nil	—	100	100	Royal Bank of Scotland Floating Rate 1985	$100	.....
US$100	F.P.	—	100½	100½	Sandvik 9½% Bonds 1986	$100½	.....
$4,000	£50	8/7	74	60	Scot. Mer. 8% Conv. 92yr.	66	−1
**£99	F.P.	14/5	99⅞	99¼	Surton Dist. Water 8% Pref. 1981	99½	.....

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date †	Latest Renunc. Date ‡	1976 High	1976 Low	Stock	Closing Price p	+ or −
87	F.P.	30/4	28/5	122	103	BICC	120	+1
130	F.P.	2/5	7/5	151	136	Blackwood Hodge	146	.....
13p	Nil	—	—	4¾	3¼	Boulton Wm.	4pm	+¾
65	Nil	—	—	17	8	Bowring (C. T.)	14½pm	−½
20	Nil	19/5	9/6	70	57	Brent Chemicals	70pm	+4
29	F.P.	18/5	15/4	35½	31	Concentric	31	.....
190	F.P.	9/4	21/5	251	214	De La Rue	249	+1
30	F.P.	30/4	12/5	94	56	Dew (G.)	93	.....
60	F.P.	6/4	14/5	60	53	Dividus Invs.	60	+1
60	Nil	19/5	9/6	20	15	Elliott (B)	20pm	+1
35	F.P.	7/5	18/6	50	44	Eva Inds.	46	+2
325	F.P.	2/4	7/5	405	351	Fisons	397	−1
53	Nil	17/5	11/6	13	6	Garnar Scotblair	7pm	+1
85	Nil	—	—	26½	23	Glynwed	24½pm	.....
106	Nil	14/5	11/6	32	25	Greene King	32pm	.....
65	F.P.	14/4	12/5	65	61	Jacob (W. & R.)	62	.....
56	F.P.	9/4	7/5	77	63½	Lovell Invt	74	−1
57	F.P.	3/3	20/7	71½	64	Lloyd (F.H.)	71	−½
105	F.P.	3/5	9/6	118	105½	Lyons (J.) 'A'	109	.....
70	F.P.	21/4	19/5	96	69	Parker Timber	93	+1
15	F.P.	9/4	14/5	18½	17	Paine Engineering	17½	.....
40	Nil	23/4	3/6	61	49½	Rolls-Royce Motors	60½	−½
125	F.P.	4/5	1/6	156	144	Rotork	149	−1
400	Nil	—	—	91	85	Selection Trust	85pm	−5
10	F.P.	7/5	28/5	15	2½	Southern Construction	12½	.....
58	F.P.	15/4	28/5	54½	47	Staffex Int.	52½	.....
64	F.P.	24/2	25/3	114	92½	Stanhome Hldgs.	113	.....
240	F.P.	5/5	26/5	280	277	Taylor Woodrow	282	.....
42	F.P.	17/5	14/4	64	57	Tripiex Foundries	58	.....
97½	F.P.	23/4	5/6	97½	82½	Trust Houses Forte	95	.....
150	F.P.	12/3	11/6	165	140	Turner & Newall	150	−3
56	F.P.	18/3	12/5	56½	47	Ward (T. W.)	53	−1
A1.20	Nil	18/6	—	42	33	Western Mining	49pm	+1
25	Nil	12/5	18/6	235	205	Weybura Eng.	215pm	−9
8	F.P.	19/3	20/4	14	12	Wheway Watson	11½	.....
70c	F.P.	—	—	81	67	Wonfield Burrah	64	+1
70	F.P.	13/4	14/5	91	76½	Yonghal Carpets	85	−1

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital, cover based on dividend on full capital. p Pence unless otherwise indicated. s Forecast dividend: cover based on previous year's earnings. m Figures based on prospectus or other official estimate for 1976. * Figures assumed. † Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ¶ 200 S.Afr. cents. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. § Introduction. ● Issued to former Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. # With warrants.

Akzo progress continues in first quarter

BY MICHAEL VAN OS — AMSTERDAM, May 6.

AKZO, the Dutch chemicals group, produced first quarter results to-day which confirm that the business recovery which set in at the end of last year has continued in the first quarter.

It said that the net profit was Fls.22m., or Fls.0.73 per share in January-March, compared with a loss of Fls.55.2m. (loss Fls.1.99 per share) in the corresponding period of last year. Sales, at Fls.2.82bn., were up 22 per cent. on the same period and they were 6 per cent. up on the preceding period.

The company said in to-day's statement from Arnhem that the major improvement in the operating result—a loss of Fls.37m. was converted into a Fls.129m. profit—was mainly due to the improvement in the chemical fibres sector. In Enka Glanzstoff, chemical fibre, the scale of loss fell materially. American Enka (Akzona) recorded distinctly positive results.

The Akzo statement noted, however, that the first quarter operating income was still only 4.6 per cent. of sales whereas it had amounted to 8.4 per cent. in the period 1969 through 1974. Income from chemical products was slightly down to Fls.51m. compared with the first quarter of 1975, when results there had not yet been heavily affected by the recession; but they showed an improvement over the subsequent quarters. In the pharmaceuticals, consumer products and miscellaneous products sectors, sales and income overall were described as "satisfactory" in the first quarter.

According to the Akzo statement, first quarter chemical fibres sales were up 28 per cent. to Fls.1.05bn. from the same quarter last year, chemical products up 15 per cent. to Fls.951m. and pharmaceuticals, etc. were up 23 per cent. to Fls.823m.

The company said that in the first 1976 quarter, cash flow amounted to about Fls.180m., *compared with about Fls.60m.* last year, interest-bearing liabilities did not increase, while liquid funds remained on par with the position of end-1975. Capital expenditure for property, plant and equipment declined to Fls.110m. (Fls.175m.).

At today's annual shareholders' meeting, the Akzo proposal to pass the 1975 dividend was approved. Akzo supervisory Board Chairman Dr. Jan Van Den Brink, who is the joint Chairman of Amro Bank, said that the Akzo management Board had done everything possible to sort out the company's problems. In an obvious reference to heavy union resistance to the reorganisation planned at Enka a long time ago, Dr. Van Den Brink stated that it had been very difficult to accept that measures could not be carried out as quickly as necessary from the purely economic point of view.

The Akzo supervisory Board Chairman, who remained optimistic about the company's growth prospects, also mentioned the problems at Enka in 1972 when a then badly needed restructuring programme was stopped by union resistance. "An important factor then was that the social partners did not appear to be convinced of the need for the reorganisation as long as a big multi-national company such as Akzo was still making what they considered reasonable profits. It appears that only once a company is in a clearly lossmaking situation would economically necessary measures appear to be accepted in a broader circle."

KNSM decline forecast

BY MICHAEL VAN OS — AMSTERDAM, May 6.

FOLLOWING the NSU company, KNSM, the second largest Dutch shipping company, also anticipates that the current year's profits will be down on the already reduced 1975. It states in the annual report, published here to-day, that the forecast was made in view of the slow economic recovery in most industrial countries which was not likely to be reflected in increased transport volumes before the end of the year. There would be some improvement for the shore-based activities, however.

It said in the report that the *reduced income from raw* materials and the higher energy costs caused several countries in the areas where the company was active to have balance of payments problems—and that this led to autonomous, or Government-dictated import reductions. This resulted in lower transport volume to and from the areas, particularly in the second half of last year.

The group's turnover increased to Fls.717m. in 1975 from Fls.675m. the year before, with the aid of the now consolidated 60 per cent. stakes in both Mammoet, the heavy transport company, and Transavia, the charter airline which is now rapidly expanding in air freight. The latter converted a substantial loss into a profit last year.

The KNSM operating result fell back to Fls.24.8m. (Fls.28.7m.) which was mainly attributable to reduced income from liner shipping and the port companies which were being reorganised.

Hoechst sees partial recovery

BY GUY HAWTIN — FRANKFURT, May 6.

THE UPTURN reported by the West German chemicals industry at the end of last year has strengthened into a sustained recovery. Hoechst, one of industry's "big three," to-day disclosed a major advance in both profits and turnover in the first quarter of the current year.

However, Dr. Rolf Sammet, chairman of the Hoechst executive Board, pointed out that it seemed highly unlikely that this year would see a return to 1974's record levels. If the current growth rate was maintained, he said, *this year's results would* compare with those of 1973.

At this stage, Dr. Sammet is chary of dividend forecasts. Last year, the group stuck its neck out at the half-way stage and stated that if the expected upturn materialised it was "theoretically possible" to maintain 1974's DM9 per DM50 nominal share dividend. But the upswing came too late and the recommended dividend has been slashed to DM7 per share.

Hoechst remained committed to a flexible dividend policy, said Dr. Sammet. It was difficult on the present figures to make firm predictions but, if the remaining three-quarters of the year developed at the same rate as the first, there was a chance that the concern could return to its former dividend level. Presumably this means that Hoechst could pay a similar dividend to the DM8.50 of 1973.

The concern's world turnover in the first quarter of the year totalled DM5.59bn. (£1.21bn.). This was a full 17 per cent. above the DM4.78bn. reported in the first quarter of last year and 7.6 per cent. above the DM5.19bn. 1975 quarterly average. Figures for Hoechst AG, the West German parent, showed a 14 per cent. improvement on the first quarter of 1975 with turnover rising from DM2.08bn. to DM2.37bn. (£512m.). First quarter 1976 turnover was 12.3 per cent. above the DM2.11bn. 1975 quarterly average.

On a group level, recovery has been faster at home than abroad. The concern's domestic turnover reached DM1.95bn. in the first quarter, 13.1 per cent. above the DM1.72bn. recorded in the first three months of last year and 15.4 per cent. above the DM1.69bn. 1975 quarterly average. Overseas turnover, while 19.1 per cent. over the first quarter of 1975, was at DM3.65bn., only 3.9 per cent. above the 1975 quarterly average of DM3.51bn.

Hoechst AG showed a stronger advance in exports than in the domestic market. Home turnover, at DM1.17bn. in the first quarter of 1976, was 14.2 per cent. up on the DM1.03bn. of the same period of last year and 9.7 per cent. up on the DM1.08bn. 1975 quarterly average. Exports, however, rose to close on DM1.2bn.—13.7 per cent. above the first quarter of 1975 and 14.9 per cent. up on the year's quarterly average. Exports as a proportion of turnover rose from last year's average of 49.4 per cent. to 50.5 per cent. although they still remain slightly under the 50.6 per cent. of the first quarter of 1975.

Profits have shown a major improvement. Hoechst AG's pre-tax earnings in the first quarter totalled DM215m. (£46.5m.). This exceeds the DM180m. of first quarter 1975 by 19.4 per cent and stands 53.6 per cent. above the last year's DM140m. quarterly average.

Dr. Sammet said that the 53.6 per cent. increase brought the group back to the same level of profitability as in 1973. To reach the 1974 levels a 70 per cent. improvement would be needed. Costs had risen heavily in 1975 and in some cases raw materials had risen by 350 per cent. Prices, particularly in the fibres sector, would have to rise substantially—in the export field by possibly as much as 20 per cent.

In his autopsy on 1975, Dr. Sammet placed a large share of the blame for the heavy drop in profits on the fibres sector. After years of profit, the sector returned a group pre-tax loss of DM240m., some DM180m. of which was attributable to the West German operations.

Sales had been hit by a heavy excess of world fibres production during the recession year, spurred by the recent massive increase in East European fibres production. European fibres output was expected to return to the black in 1976 but prices were currently so low that even operating at full capacity, Hoechst would be hard-pressed to make a profit. Price competition in 1975 had been "ruinous" and price rises were therefore inevitable.

Plastics had suffered similarly in 1975. Chemical petroleum prices had been pushed up heavily by the oil concerns, while prices of the chemical concern's products had been under heavy pressure. The oil concerns had laid the burden of price increases on chemical petroleum rather than automotive petrol as the former was "not such an emotive issue."

There was going to be no major capital investment in Germany during the current year, said Dr. Sammet. Spending would be concentrated on rationalisation programmes and the group would maintain its restrictions on employment and replacement of labour. Capital investment would largely be going abroad.

Sonatrach $430m. loan signed

By Mary Campbell

SONATRACH'S large scale Euromarket loan was signed in London yesterday. The amount of the loan was finally set at $430m. — a sum of $400m. to $500m. had been sought. The maturity is five years and the spread 1⅞ per cent. Lead manager is Bank of America.

The funds will be put towards Sonatrach's 1976 capital expenditure programme.

Mr. Ghozali, president of Sonatrach, said at the signing ceremony yesterday that he had just signed a $350m. loan from the Japanese Eximbank to cover equipment purchases for the Hassi R'Mel project. Within three years, he said, the project would be earning $1bn. a year in revenues.

Mr. Ghozali also said that known reserves of hydrocarbons in Algeria would be earning the country $10bn. in revenues by 1980, double the figure for this year.

* * *

In the bond sector of the Euromarket, Union des Banques Arabes et Françaises is issuing a $25m. five-year floating rate note. The spread will be a quarter of a point and with a 7½ per cent. floor. Crédit Lyonnais *and First Chicago Limited are* joint lead managers.

Massey Ferguson is to float a $50m. 15-year Eurobond. Indicated coupon will be 9½ per cent.

Sour times for sugar producers

BY JAMES FORTH — SYDNEY, May 6.

TWO OF AUSTRALIA'S largest sugar producers have forecast sharp profit reversals for 1975-76. Pioneer Sugar, the second largest producer, expects earnings to fall from $A13.6m. to $A7.25m., while the smaller Haughton Sugar Co., controlled by the industry leader CSR, expects profits to drop from $A3.9m. to $A928,000.

The forecasts are based on estimates of the final sugar prices received. It was obvious, with the dip in sugar prices during the year, that the bonanza results of 1974-75 would not be repeated this year. However, Pioneer's forecast result for 1975-76 would still be its second highest on record. Two years ago, the company earned $A3.5m.

Wet weather during the crushing season also affected results of both Pioneer and Haughton and crushing was brought to a halt at one stage. Pioneer's sugar production fell sharply from 414,000 tonnes to 364,000 tonnes, while Haughton produced 14,548 tonnes less than the previous season. Pioneer's profit is based on a price of $A230 a tonne for No. 1 pool sugar (down 9 per cent. from the 1974 price of $A253 a tonne) and $A275 a tonne for No. 2 pool (previous year $A301 a tonne). The other major sugar producers, CSR and Bundaberg, should also earn less from sugar this year. Bundaberg in fact, is predicting a profit of at least 85 cents a share or $A8.2m. for the year compared with $A13m. for the previous year.

Pioneer has held its dividend at 24 cents per share while a Haughton has maintained its payout at 20 cents a share. Both companies are also expecting a record output for the current season — Pioneer is predicting 500,000 tonnes of sugar while Haughton expects to produce 118,000 tonnes.

Pioneer pointed out that its performance was being affected by rising costs and that the only answer lay in increased efficiency and greater turnover.

Mannesmann surprise package

BY GUY HAWTIN — FRANKFURT, May 6.

MANNESMANN shareholders received a pleasant surprise to-day with the news of a massive rise in profits and 2 per cent. bonus on an unchanged dividend. In December, they had been told that figures for the first nine months showed a slight deterioration in overall profits—although just how much was not spelled out.

Consolidated external group turnover—including all subsidiaries in which Mannesmann holds more than 50 per cent.—advanced by 5 per cent. against 1974 to DM13.1bn. (£2.84bn.). Net profits of the parent, however, shot up by 68 per cent. from the previous year's DM157m. to DM265m. (£57.4m.).

This means that despite the recession, Mannesmann has more than held its own—a creditable performance considering that the group pushed up turnover in 1974 by 31 per cent. While no details of the year's performance were given in the report, growth seems to have come almost entirely from exports, in which the group's substantial East European business played a major role.

Shareholders at July 1's annual meeting will be asked to approve an unchanged annual dividend of 14 per cent.—or DM7 per DM50 nominal share—plus a 2 per cent. bonus. In 1974 the dividend was increased from the previous year's 10 per cent.

The interim statement also stated that it was planned to make a special issue of shares to the group's workers in the Federal Republic. On July 1, employees who have been with the concern for more than a year will be offered five shares at a price of DM90 per DM50 nominal share. To make provision for this and further contingencies in the coming years, shareholders are being asked to approve an increase of DM50m. in the concern's authorised capital.

Meanwhile, in the first three months of the current year, the concern has reported a slight improvement in demand, particularly from abroad. Turnover and production, however, remained under the high level of the first quarter of 1975.

Petrofina steps up North Sea capital expenditure

BY DAVID CURRY — BRUSSELS, May 6.

PETROFINA'S Belgium's only candidate in the big multinationals stakes, and one of Europe's major oil concerns, intends to devote almost half of its investments in 1976 to the North Sea. Some B.Frs.16.4bn. in total investment is foreseen, *of which some B.Frs.8bn. will go* to North Sea exploration and production.

Last year the company invested some B.Frs.14.7bn., and some B.Frs.6.4bn. of the B.Frs.9bn. devoted to exploration and production went into the North Sea.

The company says in its annual report that the most favourable element in trading is North Sea oil production coming on stream. However, it laments the imposition of a special tax on North Sea revenues in the U.K. as in Norway.

The pipeline linking Ekofisk with Teesside went into service at the end of October and at the end of the year landings were at the level of around 15m. tons a year.

Like many companies, Petrofina has been hit by controls on petrol prices. It notes it was unable to recover fully higher crude costs, and more costly refining *and distribution charges* a drop in consumption added to the dismal picture. The company says it has lost some B.Frs.1bn. in each of the last two years on Belgian distribution.

In the light of this situation Petrofina says its 1975 results were generally satisfactory, and produced profits of B.Frs.5.41bn. (B.Frs.458 per share) against B.Frs.5.015bn. for 1974.

The company intends to propose a one for 20 bonus issue ranking from January 1 this year. The dividend is restricted by government anti-crisis measures at B.Frs.170 net per share.

New plant at SAVIEM

BY RUPERT CORNWELL — PARIS, May 6.

THE FRENCH lorry company SAVIEM, a subsidiary of the Renault motor group, will build a lightweight truck assembly plant in Lorraine, an investment of a total of Frs.700m. (£80m.) which will create an extra 3,000 jobs in one of the country's more depressed industrial regions.

At the same time, SAVIEM's parent announced in Paris a deal that will give it majority control of the Italian tractor company, Carraro, a move that will expand considerably the marketing base for Renault agricultural machinery in Italy.

Work on the new SAVIEM plant will begin this year and the first truck will roll off the assembly line in 1979. At full capacity the plant will produce around 250 vehicles a day and be a direct competitor of both Citroen and Peugeot.

The announcement, made by Prime Minister M. Jacques Chirac to-day, comes just months after the Government-sponsored merger of SAVIEM with its one-time rival Berliet aimed at giving France a single viable heavy vehicle group.

Kloeckner-Werke has far to go

DUISBERG, May 6.

KLOECKNER-WERKE AG is sharing the recovery in the steel industry but is still a long way from operating at a profit, chairman Herbert Giernow told the shareholders meeting.

He said that first half 1975/76 incoming orders for rolled steel products are 18 per cent. up on a year ago, although still 13 per cent. below 1973/74. Rolled steel production is 9 per cent. above a year ago but 21 per cent. down on 1973/74.

Current capacity use at the company's steelworks is averaging 70 per cent., although the profit threshold would not be reached until usage topped [illegible] per cent. Second-quarter business volume exceeded the first quarter and this development is likely to continue, he said.

Reuter

Slight Kaufhof sales gains

BY GUY HAWTIN — FRANKFURT, May 6.

KAUFHOF, West Germany's second largest store group, to-day announced that turnover in the first quarter of 1976 rose 2.9 per cent. against the same period of the previous year, including value added tax, it went up from DM1.45bn. to DM1.49bn. (£332.5m.).

While, on first sight, growth may seem relatively small, the figures are not strictly comparable. Although the West German consumer appears to have been holding back to test the strength of the upswing, spending has been high during holiday periods. This year the valuable Easter trade falls in the second quarter and it will not be possible to assess the true progress of the retail industry until the end of the first half year.

The turnover of the parent concern reached just under DM1.21bn.—some 3.6 per cent more than in the first quarter of 1975. Discounting the increase in sales space, however, the growth rate fell to 2.5 per cent. Performance of the Kaufhof subsidiary was rather more disappointing. Its DM282m. turnover equalled that of the first quarter 1975 but, allowing for new sales space, sales actually fell back by 3 per cent.

Kaufhof's labour force fell by 0.7 per cent. against first quarter 1975 despite a 3.1 per cent increase in sales space. Personnel costs, however, rose by 4.1 per cent. to DM284.9m.

The concern's travel business like that of its competitor Karstadt, shows a slight fall against the previous year's extraordinarily high figure.

Estel expecting second half losses despite cyclical upturn

BY MICHAEL VAN OS — AMSTERDAM, May 6.

THE LARGE Dutch-German steel combine Estel, which earlier reported a very heavy net loss of Fls.201.9m. (about £40m.) in 1975, has now stated that it does not expect the impact of the current slow cyclical recovery to be strong enough in the second half to prevent a new loss. In 1974, the company recorded a net profit of Fls.322.9m.

At a Press briefing here on publication of the company's annual report, Estel chairman Mr. Evert Van Veelen would not speculate on the possible size of the loss though it is expected to be far less than the "exceptionally bad" year 1975. He indicated that there would be a major loss in the first quarter again as orders were still being executed which were booked at the lowest point of the recession.

He added: "Though the figures will be bad they will be better than the final quarter for 1975 (loss Fls.92.1m.) and a bit better than the preceding quarter (loss Fls.87.3m.)."

The improvement would continue in the second quarter this year and the company could move out of a lossmaking situation in the second half-year. Mr. Van Veelen said that prices could then be covering costs. There would even be profits, but much would depend on capacity utilisation levels.

But the Estel chairman, who is retiring at the end of this year with a successor yet to be named, left a distinct impression that 1977 could be a more "normal" year in view of the steel business cycle trend. He said that although he had proposed passing the dividend for 1975, "there was no reason for concluding 'some dividend' could not be paid in 1976 from the reserves once it was ascertained that the following year would be normal."

The company said that the more immediate prospects for the "steel" sector were not so encouraging. The building industry was still going through a difficult period while in shipbuilding the demand for ships was on the wane. Demand for machine construction was described as "moderate," but the revival of demand was felt most clearly in steel processing.

Estel said it had operated at an average of about 80 per cent. of capacity in 1975 and it was hoped to raise this to about 90 per cent. in the current year. The percentage for the final 1975 quarter, at 65 per cent., had now moved up to 75 per cent. On the subject of prices, the company said that at present, the price improvement was felt strongest in the traditional EEC markets—excluding the U.K.

Reviewing the various divisions, the Estel Board noted that "steel processing" (sales down 10.2 per cent. to Fls.3bn.) had made a positive contribution to the results of about Fls.150m. The steel sector (sales down 21.8 per cent. to Fls.5.4bn.) was heavily lossmaking, while "diversification" (sales worth Fls.1.7bn.) also suffered from the recession, the aluminium activities were hardest hit, having turned in a loss of some Fls.45m.

Total sales, as reported earlier, fell 17.3 per cent. to Fls.8.43bn., while crude steel output was down 20.8 per cent. to 9.6m. tons. The Board described as roughly correct a report that in the past year about DM80 was lost on every ton of steel produced.

In the annual report, Estel says that for the current year, neither the growth of steel consumption nor the rise in exports will be sufficient to offset the considerable decline in production of 1975.

As for investments, it is noted that a reduced sum of Fls.500m. is earmarked for this year.

The annual report said that the 1975 operating results-profits excluding income from participations, but before tax, interest and extraordinary income/charges—*has shown a loss of Fls.371.1m.* (1974 profit Fls.794.6m.). Income from non-consolidated participations rose to Fls.67.2m. (Fls.25.9m.) mainly thanks to higher dividends over the pre-1975 period.

Bofors revises its estimate

KARLSKOGA, May 6.

AB BOFORS, the Swedish armaments and industrial group, forecast a 1976 pre-tax profit of less than Kr.100m. at its annual meeting.

Managing director Claes-Ulrik Winberg attributed the revised estimate to both slow sales and orders in the steel division and to higher labour costs.

Last month the company said 1976 profits would be lower than the Kr.139m. recorded last year on sales of Kr.1.7bn.

Winberg said even such Bofors products as truck axles, normally not sensitive to recession, were selling poorly due to the decline in world truck sales.

However, Bofors believes a recovery in total profits is likely in 1977.

Reuter

Storebrand moves ahead

By Fay Gjester — OSLO, May 6.

NORWAY'S Storebrand insurance group—the country's largest—reports pre-tax profits of Kr.26.6m in 1975, Kr.2m. more than in 1974. Premium income increased by 19 per cent. to Kr.1.2bn., Kr.500m. of it from foreign business. While insurance business over the year produced a "strongly negative" result, investment earnings jumped from Kr.26m. in 1974 to Kr.67m. last year, partly as a result of currency changes. An unchanged dividend of 10 per cent. is being paid.

SELECTED EURODOLLAR BOND PRICES — MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Aquitaine 10pc 1995	103½	104½
Ashland 8pc 1987	96	97
Austraswiss 9pc 1987	94½	95½
BFCE 8½pc 1983	99½	100½
CNE 9½pc 1985	101½	102½
Conoco 8pc 1986	100½	101½
ECS 9½pc 1986	100½	101½
EIB 9½pc 1985	102½	103½
Erap 8½pc 1985	102½	103½
Esso 8pc 1986 Nov.	101	102
Eurofima 8½pc 1985	99½	100½
Granges 9½pc 1985	101	102
Massey 8½pc 1982	184	185
Michelin 9½pc 1986	100½	101½
Modo 9½pc 1985	100½	101½
Newfoundland Lb. 9½pc '86	104	105
New Zealand 9½pc 1982	102½	103½
Norpipe 9½pc 1986	100½	101
Norsk Hydro 9½pc 1988	102½	103½
Oslo 9pc 1985	100	101
Pacific Light 8pc 1985	95½	96½
Prov. Quebec 9pc 1984	100½	101½
Seamraff 8½pc 1985	100	101
SFE 9pc 1983	100½	101½
Shell 8pc 1986	101	102
Stand. Oil (Ind.) 8½pc '85	102½	103½
Svenska Handels 9½pc 1986	100	101
Volvo 9½pc 1985	102½	103½
NOTES		
Barclays 9½pc 1982	101½	102½
British Gas 8pc 1981	101	102
Charbonnages Fr. 8½pc '81	99½	100½
Denmark Mort. Bk. 9pc '83	98½	99½
ECS 9½pc 1981	101	102
EEC 8½pc 1982	97½	97½
Electricity Gen. 8½pc 1981	98½	99½
Montreal 8½pc 1983	102	103
Nippon Steel 9½pc 1980	103	104
Norway 8½pc 1981	102	103
Prov. Quebec 8½pc 1981	100½	101½
Seagram 9pc 1983	103	103½

Source: White Weld Securities.

CONVERTIBLES	Bid	Offer
American Express 4½pc '87	87	[illegible]
Ashland 5pc 1988	88½	[illegible]
Beatrice Foods 4½pc 1992	94	[illegible]
Beatrice Foods 4½pc 1992	103	[illegible]
Borden 5pc 1992	97½	[illegible]
Broadway Hale 4½pc 1987	78½	[illegible]
Canon Camera 7½pc 1989	141	[illegible]
Carnation 4½pc 1987	79	[illegible]
Chevron 5pc 1988	114½	[illegible]
Dart 4½pc 1987	82½	[illegible]
Eastman Kodak 4½pc 1988	115	[illegible]
Economic Labs. 4½pc 1987	81½	[illegible]
Fed. Dept. Stores 4½pc '85	127	[illegible]
Firestone 5pc 1988	89	[illegible]
Ford 6pc 1986	98½	[illegible]
Ford 5pc 1988	[illegible]	[illegible]
General Electric 4½pc 1987	86	[illegible]
Gillette 4½pc 1987	79	[illegible]
Gould 5pc 1987	56½	[illegible]
Gulf and Western 5pc 1988	92	[illegible]
Harris 5pc 1987	81	[illegible]
Honeywell 6pc 1986	87	[illegible]
ITT 4½pc 1987	79	[illegible]
Komatsu 7½pc 1990	103½	[illegible]
J. Ray McDermott 4½pc '87	125½	[illegible]
Mitsubishi Elec 7½pc 1991	107½	[illegible]
Mitsui 7½pc 1990	107½	[illegible]
J. P. Morgan 4½pc 1987	110½	[illegible]
Nabisco 5½pc 1988	91	[illegible]
Owens Illinois 4½pc 1987	103	[illegible]
J. C. Penney 4½pc 1987	83½	[illegible]
Pioneer 6½pc 1989	237	[illegible]
Revlon 4½pc 1987	101	[illegible]
Reynolds Metals 5pc 1988	81	[illegible]
Sperry Rand 4½pc 1987	98	[illegible]
Squibb 4½pc 1987	90	[illegible]
Texaco 4½pc 1988	90	[illegible]
Toshiba 6½pc 1989	105½	[illegible]
Union Carbide 4½pc 1982	119½	[illegible]
Warner Lambert 4½pc 1987	90	[illegible]
Warner Lambert 4½pc 1988	82½	[illegible]
Xerox 5pc 1988	73½	[illegible]

Source: Kidder Peabody Securities

MINING NEWS

Ayer Hitam turns in a record output

BY MALCOLM DUMPHREYS

THE first batch of tin outputs from Malaysia's mines for April, those of the Tronoh group, a timper production of 841 tonnes from Ayer Hitam brings the ten-month total to 3,098 tonnes compared with 2,808 tonnes for the same period a year ago. This bears out the chairman's earlier forecast that production in the year to next June would exceed that for 1974-75 despite the initial fall in output owing to repairs to the No. 2 dredge.

The figures for Tronoh, Sungei Besi and Sungei Way all show lower outputs last month but for Sungei Way its ten-month total of 443 tonnes compares with 389 tonnes for the same period previously. Sungei Besi's figure is well down on the 196 tonnes of a year ago.

The companies will be awaiting the outcome of the current International Tin Council meeting in London as to whether there will be a further relaxation in export quotas or a raising of the ceiling price of the Tin Agreement which governs the dealings ranges of the buffer stock manager.

Now that the way has been cleared for the eventual Malaysian take-over of London Tin, which will entail a change of domicile of the tin companies within that group bringing the added advantages to a U.K. shareholder of unrestricted dividends and the windfall benefit of the investment dollar premium added to the share price, is not beyond the bounds of possibility that the Tronoh group companies will follow suit. In Ayer Hitam's case this could be particularly interesting.

	Apr. Tonnes	Mar. Tonnes	Feb. Tonnes
Ayer Hitam	841	102	291
Sungei Besi	84	134	123
Sungei Way	36	33	32
Tronoh	187	171	161

MINEWORKERS' PAY RISES

Standard rates of pay for white union miners at South Africa's gold mines will be increased by between R36 and R47 (£22.52 and £29.40) a month from the May pay month says the Chamber of Mines. Around 18,000 men will benefit from the rises, but a chamber spokesman declined to estimate the cost of the awards to the industry.

The increases, which do not apply to trainees, are said to be within the terms of the anti-inflation machinery. Wages were last adjusted a year ago with the current increment being part of the latest pay round. Wages of black mineworkers are scheduled for review within the next two months.

The latest increases will take an underground journeyman's artisan or tradesman's wage to R1,479 (£900) a month from R1,432 previously.

Meanwhile, in Cape Town South Africa's Minister for Economic Affairs Mr. J. C. Heunis has said that the value of the Republic's net gold output this year will probably exceed the R2.34bn. (£1.39bn.) reached in 1975 despite the lower bullion price. He added that net output would continue to benefit from last September's devaluation.

Whim Creek unlocks Whundo

AUSTRALIA'S Whim Creek Consolidated, an offshoot of the Canadian-Irish Northgate Exploration, has started work this week on opening up its Whundo copper mine in the Pilbara region of Western Australia reports our Perth correspondent.

Rising copper prices have increased the mine's economics—it was considered profitable at a copper price in the region of £650 a tonne compared with yesterday's closing level for cash metal of £850 on the London Metal Exchange—centred on 6,000 short tons of ore averaging a rich 24 per cent. copper.

Planned as a cash-flow operation, the project may eventually be enlarged to treat the large tonnages of low grade mineralisation which have already been outlined at the prospect, which overall average 2 per cent. copper and 1.3 per cent. zinc over 2m. tonnes. Whim Creek were 40p yesterday.

SHARP FALL IN GOLD PROFITS

Reflecting the lower March quarter average gold price received and thus the working profits for individual mines, total profits for South Africa's gold and uranium producers for the first three months of this year have dropped to R260.45m. (£163.22m.) from R384.04m. in the December quarter of 1975.

Profits for the first quarter of last year were R351.04m. and the year's total came out at R1.34bn. compared with the record R1.87bn for 1974.

ROUND-UP

The Rio Tinto-Zinc group's 81 per cent. owned Canadian Preston Mines reports a fall in first-quarter net earnings to $3.73m. (£1.75m.) or 35 cents (19.5p) a share compared with $3.6m. or 40 cents a share for the same period of 1975. The decline reflects the company's 43.9 per cent. stake in Rio Algom which recently reported a downturn in its own earnings for the similar period to $7.4m. from $8.3m. previously.

* * *

American Kennecott Copper expects that 1976 will be a profitable year despite its first quarter loss of $1.1m. ($0.6m.) compared with a profit of $9m. or 27 cents a share for the first three months of 1975 when total profits were $21.7m. or 66 cents a share.

* * *

South Africa's gold holdings fell by R0.2m. to R376.9m. in the week ended April 30 according to latest Reserve Bank figures, indicating that a modest amount was disposed of from reserve in addition to the Republic's weekly newly mined output put at around 14 tonnes.

* * *

The Republic of Korea is to obtain a $12m. (£6.56m) 15-year bank loan, including three years of grace, with interest of 3¾ per cent. annually from the Asian Development Bank for a coal exploration project run by the Korean Government-owned Dai Han Coal Corporation. It is planned to increase DHCC's output to some 6.2m. tons by 1979 from last year's 4.37m. tons which was around 20 per cent. of Korea's total production.

DENISON £223M. COAL PROJECT

More than $C400m. (£223.6m.) is to be spent on the development of the Quintette high-grade metallurgical coal prospect just south of Chetwynd in north-east British Columbia. Partners in the venture are Canada's Denison Mines with 38.25 per cent., Alco Standard of the U.S. with 38.75 per cent. and Japan's Tokyo Boeki and Mitsui Mining sharing 23 per cent.

Denison will be the operator of the project which has a start-up date of 1979 and will reach full production of 5m. tons a year by 1982. Denison is Canada's second largest producer of uranium and had record earnings of $26.5m. (£14.8m.) in 1975, more than double those of the previous year.

MINING BRIEFS

SH SOUTH—

	40 weeks ended 24.4.76 (tonnes)	24.4.75 (tonnes)
Cobar Mines:		
Crude ore treated	447,200	444,800
Copper concentrate	25,019	27,718
Copper	8,329	8,672
Zinc concentrate	7,963	11,463
Zinc	3,541	3,446
Lead concentrate	1,328	2,541
Lead	419	1,289
Kanmantoo:		
Crude ore treated		
Sulphide ore	615,923	673,000
Oxidised ore	90,545	—
Copper concentrate	22,374	22,821
Copper	5,307	5,193
Silver (kg)	1,232	1,193
Waste rock removed	1,578,121	2,514,116
Dry tonnage	(metres)	
Declined access tunnel	187	130
Lateral	45	45

44,255 tonnes of phosphate were produced at Phosphate Hill from the interim crushing, washing and screening plant and 42,531 tonnes were sold to Townsville. Shipments totalling 52,173 tonnes were made to Japan and South Korea.

Construction of the 68km. rail extension to the mine site has been completed and road hauling of phosphate rock from the pit to the Duchess rail siding has been discontinued.

Reports to meetings

APCM sees better demand

MR. J. A. F. BINNEY, chairman of Associated Portland Cement Manufacturers (The Blue Circle Group) told shareholders at the AGM yesterday that the company was looking forward to a small recovery in demand during the rest of the year, but this would still show a reduction of about 5 per cent. compared with 1975. He said that this was not surprising in view of the necessity for the Government to cut back on public expenditure, added to which there was not yet the necessary confidence in the private industrial sector to show any worthwhile improvement.

Last year demand in Scotland was better than in other parts of the country although work on concrete platform building sites failed to reach expectation. This, the chairman added, had continued to be the situation so far this year and there was as yet no sign of any upturn. "In fact it also looks as though there has been a slowing down in other oil-generated construction activity."

The chairman said that he expected exports to remain at about the same level as last year. The export market as a whole was still extremely competitive, due to over-production in practically every European country and in Japan. It would take some time before this situation resolved itself. "Meanwhile, although we are naturally constantly seeking new markets, we are now making particular studies in this field," added Mr. Binney.

Statement Page 19

Albright and Wilson—First quarter profits were approximately equal to those for the first quarter of 1975, the chairman, Mr. Sydney Ellis, said after the company's AGM yesterday.

"All in all, we are on course for a better 1976 than 1975, but we will need some further lift in economic activity round the world to achieve this forecast." Mr. Ellis said the group had entered the year "in a strong financial position."

He said that aside from specific problem areas, most of the company's business had entered this year on a satisfactory trend. Since the beginning of the year most of the group's U.K. markets had continued firmer, with the phosphate sector showing particularly good results.

There was also a return of some of the export business which the group had lost towards the end of 1975.

Turner and Newall—Stockholders "can confidently look forward to a worthwhile increase in profits during 1976," reports chairman, Sir Ralph Bateman.

William Collins and Sons (Holding)—The great problem facing book-publishing to-day was to remain price competitive in the home and overseas markets, Sir William Collins, chairman, said yesterday.

The current position was that although sales so far were not up to expectations and they could not yet assess the probable cutback in library and educational spending he was not pessimistic because they had produced an extremely good autumn list of new books which should meet with a big demand.

Appleyard Group—Profit for the first quarter of the current year was more than 30 per cent. in excess of that for the same period of 1975, Mr. Ian Appleyard, chairman, reported to the AGM in Leeds. The improvement was mainly achieved by reason of savings in the cost of finance, a very buoyant used car market, improved control of costs and continuing good results from agricultural machinery and from the jointly owned finance and contract hire companies.

Leslie and Godwin in strong position

EXPECTATION of continued growth at Leslie and Godwin (Holdings) is expressed by Mr. N. W. Gant, chairman, in his annual statement. He reports that the directors still intend to expand overseas interests.

As known, investment income for 1975 increased from £1.42m. to £1.6m. although profits on the realisation of investments declined—according to Mr. Gant this reflects a strong financial position and a policy of maintaining a high degree of liquidity. At the pre-tax level, profit for the year was £3.46m. (£3.56m.) and dividends 3.695096p (3.394054p) net.

The chairman describes 1975 as exceptional because during it the major part of all the additional and abnormal expenditure consequent upon removal to Farnborough, was incurred. This has now been successfully completed and the company should, in the present year and in the future "progressively enjoy the benefits."

Provision has been made in the accounts to reduce the book value of some, mainly undated, fixed-interest securities because of uncertainty as to the future level of interest rates. The remainder of quoted securities, comprising equities and short-dated stocks, are included at below market or redemption values.

The company remains "in a strong financial position."

During the year there was a further increase in revenue from general insurance broking activities in the U.K.

Overseas, continuing efforts to increase earnings of foreign currency have again been rewarded—Leslie and Godwin International again increased both revenue and profits.

The continued lack of a satisfactory level of profitability in the whole field of marine underwriting, associated with unavoidably higher costs, led to a significant fall in the profits of the subsidiary, St. Helen's Trust, although the results of the World Marine and General Insurance Company were not substantially changed.

While the chairman finds it unrealistic to suppose that underwriting interests can prosper against a general background of underwriting losses in the whole market, aggravated by the direct and indirect consequences of inflation, he says it seems reasonable to expect "that those changes introduced and others upon which we now are working will produce improved results in the future."

The accounts show that £25,000 was paid to a former director on termination of employment.

Meeting, Great Eastern Hotel, E.C., May 28, noon.

Turriff increases by 36%

ENGINEERING contractors, Turriff Corporation reports a 36 per cent. increase in pre-tax profits from £477,471 to £652,608 for 1975. Turnover rose from £21m. to £24m.

Stated earnings per 25p share are up from 9.7p to 14.2p and the net dividend is a maximum permitted 3.7812p compared with 3.4275p previously.

Profits for the first six months had risen from £175,000 to £276,000.

The year's net profit is £306,719 compared with £210,079 in 1974 there was also an extraordinary item of £35,160.

British Rollmakers "well placed"

Although there are signs of better times ahead, Mr. D. F. Dodd, chairman of British Rollmakers Corporation is not forecasting the current year's result at this stage.

But with modern factories and willingness to introduce and develop new techniques "we are well placed to take advantage of any upturn in trade," he declares.

As reported on April 9 group pre-tax profit for the year to December 27, 1975, was £1,304,644 (£1,825,633) and the dividend is 2.3025p net (2.373p).

The source and application of funds statement emphasises the heavy expenditure during the year on capital equipment of £1.252m. (£1.120m.)—in both years almost double the amount set aside in depreciation. Liquid resources increased by £931,000 (decrease £917,000).

As the unissued Ordinary capital amounts to only £33,116 it has been decided to increase the authorised capital to £5m. of which £1,933,116 in Ordinary would remain unissued. There is no present intention of making an issue.

Following the publication of the Monopolies Commission Report in April 1974 Davy International has given and the Secretary of State for Consumer Protection has accepted formal undertakings that Davy will refrain from increasing its holding in the equity—29.98 per cent. throughout 1975—and that it will refrain from any action which would result in Davy becoming able to control the policy of the Corporation. Davy then stated that it was its intention to dispose of its holding "as soon as it can conveniently do so."

Meeting, Birmingham, May 27, at 12.15 p.m.

Surinvest launches Silver Trust

A new off-shore commodity trust has been launched by Surinvest, The Silver Trust, with the aim, as the name implies of investing in the metal silver. The trust will be managed by Surinvest Trust Managers which has been formed in the Isle of Man. The intention is that the fund will always be fully invested in silver, with no trading in options, and without any gearing.

The minimum initial holding is 500 units, thereafter purchases or sales must be for at least 100 units. The assets of the trust will be valued daily on every business day. The trustee is the Isle of Man Bank, a member of the National Westminster Banking Group. This is the second commodity share fund launched by Surinvest, the previous one being the Copper trust launched last December. Interested investors for the new trust should contact the Trust Managers at Douglas, Isle of Man.

Liden bid to return to profits

To make lower demand a viable proposition at Liden (Holdings), the directors intend to rationalise and introduce more efficient working; they also plan to manufacture lines other than whitewood furniture, demand for which "has not improved."

So says Mr. C. B. Martin, chairman, who is "confident" that these policies will begin to take effect in the second half and enable the company to return to and increase profitability.

He reports to members that in the plastics division, the current year has started with an upsurge in sales.

As reported February 27, the company incurred a £45,037 loss in the year ended November 30, 1975, compared with a profit of £88,320 in the previous 12 months. No dividends are being paid compared with a single net final of 0.1875p in 1973-74.

On March 22, Mr. N. Clothier and his associate companies held 78.12 per cent. of the issued share capital.

Meeting, 227, Les Bridge Road, E. May 25, noon.

A. G. Stanley sees further expansion

Mr. M. Stanley, chairman of A. G. Stanley Holdings, the home decorating group, is cautiously confident that the group will increase its market share of available trade this year, and he therefore looks for further expansion.

At the end of March turnover was up by 23 per cent. on the 1975 period. Although the exceptionally high sales volume of January did not continue into the following two months the group's planned expansion is going ahead.

So far in the current year the group has opened one new store and transferred three others to larger premises; all these stores are trading successfully, says the chairman. A further six stores are at a very advanced stage and should be opening in the next few months.

On January 1, 1975, the group had 91 stores trading. During the year a further 20 were opened or acquired, and nine closed.

As reported April 14 group pre-tax profits increased from £542,850 to £628,287 in 1975. The dividend is effectively raised from 4.1p to 4.47p.

Meeting, Orpington, May 26 at 4 p.m.

G. Sandeman sales improving

Sales of Geo. G. Sandeman Sons and Co.'s ports and sherries in the first months of 1976 have been "most encouraging" says the chairman, Mr. T. W. Sandeman. He feels that sales for the year will be higher than the £9.98m. for 1975.

Margins, however, are being reduced due to price competition in some larger markets, and at this stage it is not possible to increase prices.

When he reports the half-year results at the end of October, he hopes to give a more detailed forecast of how sales for the whole year are likely to look.

As reported on April 24 group pre-tax profit for 1975 was £917,000 (£2,473,000) and the dividend is 2.31p net (same).

Results in the second half were affected by unexpected losses in winemaking centres in Portugal. Interim results were significantly affected by trading loss and terminal payments in France, but in the second half these were more than offset by profits on realisation of stocks and fixed assets on liquidation of French subsidiary.

At end 1975 Hiram Walker and Sons (Scotland) held 1,903,484 Ordinary 25p shares. Meeting, Connaught Rooms, W.C., May 28, noon.

BIDS AND DEALS

Trafalgar House alters terms for Clark & Fenn

Trafalgar House Investments has altered the terms of its original £3.3m. offer for building products group Clark and Fenn.

Following the acquisition of an option on 26.6 per cent. of Clark and Fenn's shares, from the family of a former chairman, on the basis of two shares for every three Clark and Fenn shares, Trafalgar House extended the offer to the remaining shareholders. At 90p, the Trafalgar offer is worth 60p per Clark and Fenn share, against a market price last night of 72p.

Trafalgar House now says that if the Board of Clark and Fenn recommend the offer, it will provide a cash alternative of 75p a share.

The Board of Clark and Fenn is to meet to-morrow, and a statement on the new offer may be expected.

LADBROKE-TOTALISATORS

Ladbroke Group's offer for Totalisators and Greyhound Holding Preference stock has been accepted by holders of £132,642 stock (over 90 per cent.). The offer is unconditional and remains open. The balance will be acquired compulsorily.

Ladbroke now controls over 94 per cent. of Totalisators Ordinary following acceptances received so far of the Ordinary offer.

GRAYSTON

Turner-Scaffolding, a member of the Grayston Group of companies, has acquired the capital of Essex Steel Scaffolding, a small but well-established company operating from a depot at Loughton in Essex.

SWW-BALLANTYNE

In response to the offer made on behalf of Scottish Worsteds and Woollens Limited for all the issued 4.2 per cent. Preference shares in Henry Ballantyne and Sons acceptances have been received in respect of 106,407 shares, representing 96.7 per cent. Resolutions creating 165,000 6.5 per cent. redeemable Preference shares of 50p each and making all necessary alterations to memorandum and articles of SWW were passed at an extraordinary meeting. Accordingly the offer for the HB Preference has become unconditional and remains open.

RUSH & TOMKINS ACQUISITION

Rush and Tomkins, the building group, has acquired Yorkshire Homes, for £80,000 cash together with deferred notes redeemable in 1981 at a face value of £107,500.

THORN-STANWOOD

Thorn Electrical Industries announces that the offer for the capital of Stanwood Radio has been declared unconditional. Acceptances have been received in respect of 2,967,399 Ordinary Shares representing 77.08 per cent. of shares that are the subject of the offer. Thorn acquired 1,150,000 shares during the offer period but prior to posting the offer document. Thorn now holds 4,117,598 of the capital of Stanwood—representing 82.35 per cent. The offer remains open.

ARIES-PADANG JAVA

Acceptances received of the Aries Holdings offer for Padang Java Rubber amounted to 240,360 shares (32.05 per cent.) which, with units held prior to the offer of 50.12 per cent., make a total of 616,310 units (82.17). The offer is now closed.

C. & S. DROPS ASHBOURNE BID

In view of the proposed bid by Incentive Investments for Ashbourne Investments, Central and Sherwood has decided irrevocably not to proceed with its proposed bid for Ashbourne, first announced on November 14, 1975.

The Property Market

BY QUENTIN GUIRDHAM

Weinberg sees the death of the giants

"I was reading out the death sentence (on the property investment company) But that wasn't intended to be a bearish statement."

Mark Weinberg, managing director of Hambro Life Assurance, is not given to talking Irish, and these remarks at the end of the paper he presented to Jones Lang Wootton's conference on Wednesday, are quite logical providing you accept his basic thesis: institutions want to see 20 to 30 per cent. of their funds in property; property shares are, mainly for tax reasons, a bad way to invest in property; so the institutions must buy the companies and, despite being an anachronistic and inefficient investment medium, the companies will fetch good prices for their shareholders in the funeral rites.

If it isn't bearish, how bullish is this argument? If the major property investment companies are doomed to show no more growth outside their present portfolios and eventually to be swallowed, then to keep the Stock Market interested they had better be swallowed quickly, or at least enough of them had better be swallowed in order to offer hope for shareholders of the rest.

Weinberg emphasised the swallowing capacity of the institutions (a single year's investable cash flow from the pension funds and insurance companies being enough to buy the entire gross assets of the quoted property companies). He also gave his own forecast of the speed of acquisitions. The funds would like to get their property holdings up to 20 to 30 per cent. of their total holdings (and this must imply buying out the companies) in "years rather than decades."

What he did not forecast was the price the institutions should pay. But in answering a question about suitable discounts for shares to be selling at now, he indicated that the institutions should be able to take takeover costs, stamp duty, etc. out of the discount they could buy at. So something below net asset value was called for.

That is the institution's natural desire, and we will know a lot more about what the market thinks on this point of pricing by the time the Sun Life-Artagen and Welfare-Keith and Henderson bids are settled one way or the other.

But whatever loose ends he wisely left, Weinberg had previously produced a comprehensive case against property companies as they have grown up since the war.

The lethal blow had really been struck by Corporation Tax in the 1965 Finance Act, he said. It was partly the strong personalities of the developers, partly the rush of new institutions to get a foothold in property (hence the continuance of long-term funds at low rates and the fierce competition for completed developments) which had masked the change.

The aftermath of 1974 was, he said, merely bringing home to the institutions what had been true for years. They should not use shares as a way to invest in property and without their main shareholders to produce future capital for them, the big investment companies could not prosper.

Weinberg's case is based on income. A pension fund pays no tax on rental income and a life company pays 37½ per cent. A pension fund receiving rental income through property company dividends loses 52 per cent. to tax and the policyholder 69 per cent.

On the capital side, the pension fund is again free of tax and a life company pays CGT at 30 per cent. If property is sold at a profit by a property company, a pension fund shareholder gets no relief on this, for him, unmerited CGT, while a life company can face a second level of CGT when it sells its shares in the property company.

The advantage of a company's gearing to a fund was illusory, argued Weinberg, because in buying a geared company's shares an institution was really only buying a proportion of property and a proportion of fixed interest investment. It could equally achieve the same balance by adjusting its own direct portfolio of property and fixed interest.

To these factors had to be added the volatility of share prices, with Weinberg saying that a large block of shares was in practise less liquid an investment than a building. The new insurance regulations on solvency margins made mobility more necessary than before.

Weinberg then moved into the field of personal investment. Here, the logic of buying bonds rather than shares is (as we all know largely through his efforts) impeccable. What is not so certain is how far the individual regards them as comparable investments, or how far the monthly payment to one cuts down the racing money on the other.

But the private investor will not be enough to sustain the share prices of major groups if, even though the institutions fail to swallow them, they still bail out of the shares. The private investor, according to Weinberg, will be left to invest in the rockier companies which, left on the shelf in the institutional marriage season, may survive to jog along on portfolios of secondary properties providing high yields.

His other two survivors are the pure development group, and the construction company which wants to hold its reserves in the form it knows best, property.

So, within a decade, the major property investment companies will be gone, all the famous names swallowed. It is an intriguing idea, if only to work out who could digest Land Securities. But then what won't the institutions, or whoever "directs" them, control by 1990?

Brixton's values

The 60 per cent. of industrials in its portfolio may explain the more favourable result a Jones Lang Wootton valuation on the same day has produced for Brixton Estate compared with Artagen. Both are on the straight open market basis.

Brixton had last been valued in December 1972, when JLW had covered £46m. worth of the properties. Included this time were nearly £9m. (at cost) of additions since then, meaning the valuers were looking at buildings shown in the accounts at £54.7m. They have decided they are worth £56.3m.

A drop in the original valuations of around 10 per cent. (it could have been 20 per cent. on a more usual portfolio mixture) may be indicated, with some more recent successful developments like Dunstable making up the lost ground. Whichever way the sums were done, they must add up to a confirmation of industrial values even in a week when office sales have made the more exciting news.

OUT AND ABOUT

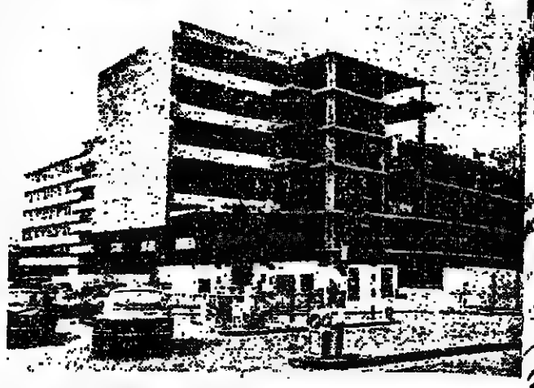
● After two years of talks, Lesser Land looks to have found a profitable solution to its West of Paris site at Longchamps. It bought some extra land from the local authority, Suresnes, and, over a total floor area of 140,000 square metres, will develop 7,800 square metres of it as a telephone exchange for the PTT, with the rest as a bus depot and workshop for the authority. The PTT will be buying out the project when completed. The indexed contract has a present value of Frs.25m., with completion due next summer.

This is the largest development which the Lesser group, primarily in construction, has undertaken on the Continent. But recently it has built or refurbished small offices in Amsterdam, Brussels and The Hague, and has them all let.

● Coinciding with planning permission for SavaCentre (Sainsbury and British Home Stores) for a 70,000 square foot store at Washington New Town, Co. Durham, Tesco is to build over 100,000 square feet on a 10½ acre site leased from Basildon Development Corporation. Sales area will be 90,000 square feet, making it 20,000 square feet larger than the new Tesco at Irlam and the largest store in the South-East.

● Class distinction note from Sir Robert Black, chairman of Clerical, Medical and General Life Assurance Society (properties in balance sheet at £38.2m., estimated market value £52.1m.): "With its large and well-spread portfolio of properties, the Society does not feel the same sense of urgency to buy properties as may be the experience of some less well-established funds. . . . In our view, the biggest disservice that can be done to property investment at the present time is to encourage the buying of secondary property on too low a yield basis. There is nothing inherently wrong with secondary property, provided it is not overvalued. Much of the property now on offer is hardly good enough, we believe, to justify the general description of 'secondary' with which it has now become fashionable to label it."

● A rare deal between British and Brazilian developers: London Sackville Property Holdings, through Dutch associates, is investing in a Sao Paulo residential development by quoted group Construtora Adolpho Lindenberg, as a first step into the Brazilian market. Initial investment is only the equivaent of £250,000, but London Sackville should increase this to represent 9.25 per cent. of a £10m. project.



Blackfriars Station, backing onto the Thames in the City of London, in 1971 and yesterday. Later this month accountants Peat Marwick Mitchell move into the completed first phase (left) of the redevelopment, the first and only commercial development that British Rail has undertaken through its own Property Board rather than in association with an outsider. But at Blackfriars, BR did join forces to assemble the site with King's College, Cambridge, which owned the country's oldest public cold store standing next door to the station. Peat Marwick will also be taking the second phase of the development (right) when completed next year, making a total of 100,000 square feet of offices.

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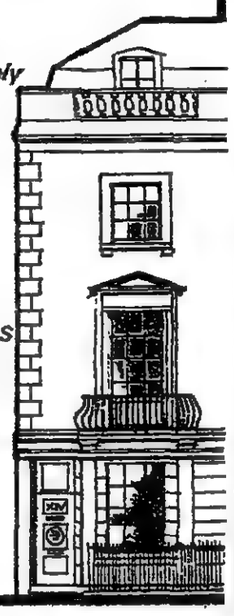

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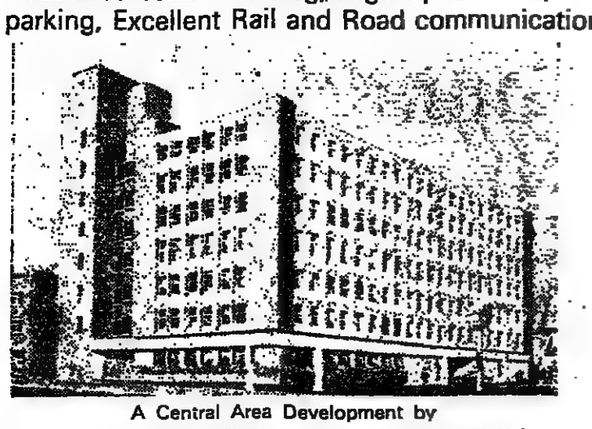

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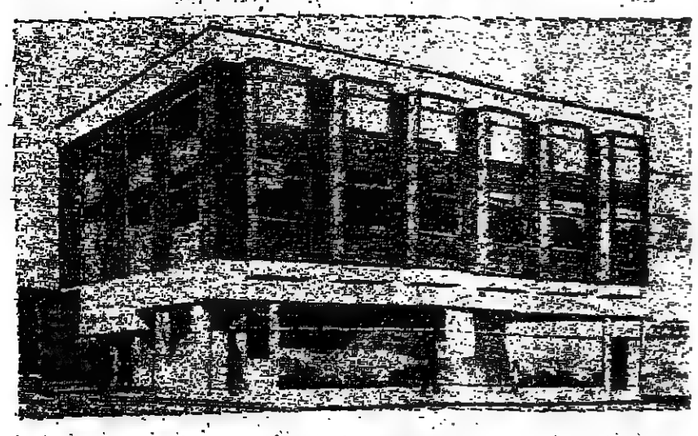

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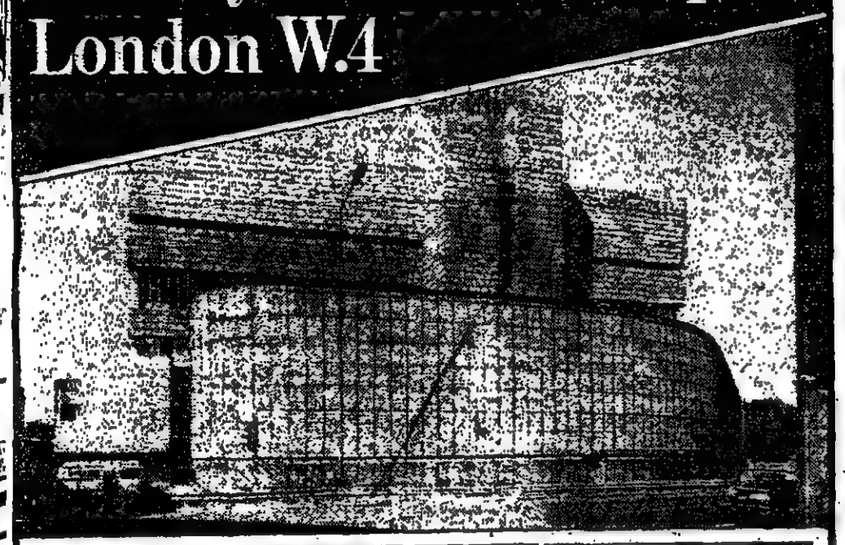

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NORTH SEA OIL REVIEW

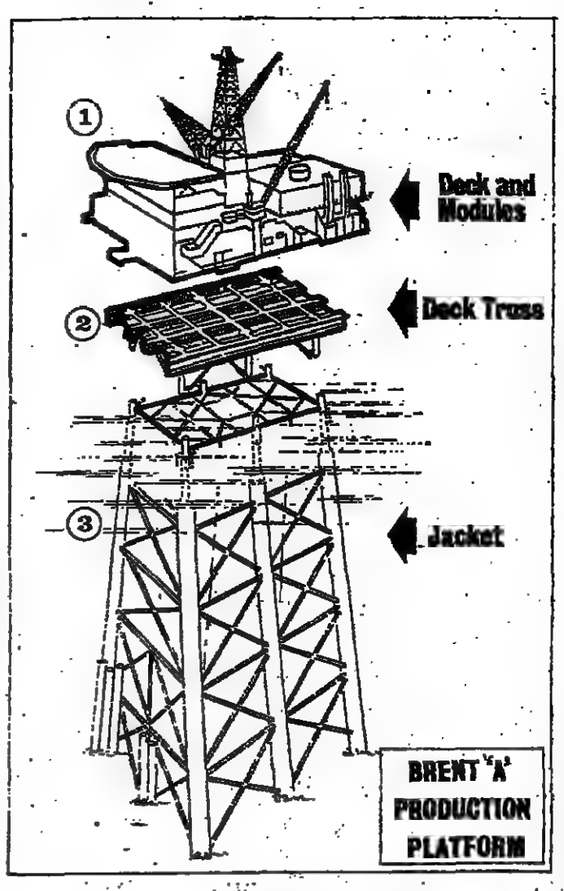
BY RAY DAFTER

Bringing new oil ashore

SHELL AND Esso proudly presented their latest £3.5bn. offshore exploration and development programme yesterday. Their joint operation is currently spending £1.5m. every day in the U.K. sector, much of it on developing the Brent Field. But the duo has longer term plans including the exploitation of the Cormorant Field extension and the Tern Field; and it has hinted that it might be ordering new platforms at the rate of one a year from 1977 to 1980 or beyond.

It was perhaps fortunate and certainly not calculated that the companies should have chosen this moment to unveil their plans. For earlier this week they had received an indirect Government warning about the next round of exploration licences. According to reports from Houston, Texas, Mr. Clarence Tuck, a Permanent Under-Secretary at the Department of Energy, repeated the Government line that companies had agreed to state participation terms would be given preference in the fifth round allocations. The implication is that companies, like Shell and Esso, which have not agreed in principle to participation, will be discriminatend against. But is this a realistic stance?

Mr. Bill Bell, chief executive of Shell U.S. Exploration and Production, commented: "We hope that the Government will judge us on our record of having the biggest involvement in the North Sea, and having a very successful record in the national interest." In this context, it is difficult to see how the Government could afford to fly in the face of Shell and Esso at a time when it is looking for financial and technical resources like theirs for the next phase of North Sea development.



Float-out

The duo has now confirmed that it regards both the extension of the Cormorant Field and the Tern Field, on block 210/25, as being commercial prospects. The preliminary development timetable suggests that both fields could come on stream in 1980, with Cormorant extension being the first to produce. Much more drilling, evaluation, and seabed testing need to be done this year before firm decisions can be taken.

Nevertheless Shell-Esso feel that they may award the contract for some form of platform in the first half of next year, which should allow a float-out (for Cormorant) in 1979. A further platform, probably for Tern, might be ordered late next year or, more probably, in 1978. The companies believe that it would be prudent planning to award one platform contract a year over the next three or four years, although they are not disclosing what the further one or two structures would be used for.

Shell-Esso's share of the U.K. oil reserves at present under development is about 30 per cent. They are operators for four of the 14 U.K. fields currently being developed: Auk, Brent, Cormorant, and Dunlin. The tiny Auk Field, with recoverable reserves of around 50m. barrels (enough to sustain production for about five years) came on stream in February. The tanker-loading system appears to be going better than expected, since output is already up to 40,000 barrels a day.

The platform construction programme for the main Cormorant Field has slipped behind schedule and it seems likely that the structure will not leave Ardyne Point before the end of 1977. The float-out of the Dunlin platform should also create a good deal of interest next year. This structure is being constructed in Rotterdam which means that the massive Europort harbour may have to be closed to shipping for up to two days when it is floated out.

The main emphasis of Shell-Esso's production programme inevitably falls on Brent which, with 2bn. barrels of recoverable oil reserves as well as 3 trillion (million million) cubic feet of associated gas, is the biggest field in U.K. waters.

Oil production from Brent should begin "in the second half of the summer," according to Mr. Bell of Shell. Initially crude will be pumped from the already located Brent "B" production platform into tankers. By the early 1980s, when the pipeline, Shetlands terminal and four production platforms are functioning, output should reach a peak of 450,000 barrels of oil a day. The final cost of developing the Brent field is now estimated at some £1.8bn. Around £100m. of it is going on the construction of the Brent "A" platform (see illustration) which was successfully floated out from Methil, Fife, into the Firth of Forth this week. Once the deck structures have been installed it will stand 780 feet, the tallest steel platform to be erected offshore anywhere in the world.

New deep water engineering techniques are being used to overcome piling and other problems in 460 feet of water. It is expected that the installation alone will cost Shell-Esso around £40m. That is one of the principal reasons why the duo is anxious fully to appraise seabed conditions on Tern and Cormorant before deciding on whether to order concrete, steel, or floating production platforms.

Another, more human, problem which Shell and Esso—along with other companies—have been trying to overcome concerns the associated storage facilities at Sullom Voe in the Shetlands. The industry is at odds with the local council whether or not storage should be underground. Until recently the two sides appeared to be deadlocked: the oil industry insisting that it was commercially and technically desirable to have overground storage. According to Mr. Bell, the two sides will start coming together within the next couple of months. With the Brent pipeline due to be completed later this year, oil should start flowing through Sullom Voe in early 1978. Even so, this is an appreciable delay to original plans and confirms the companies' foresight in providing alternative tanker-loading systems.

The Occidental Group, which chose Flotta in the Orkneys as its shore terminal for the Piper and Claymore fields, appears to have had a smoother ride. The group disclosed this week that the 130-mile Piper pipeline is in the final stages of testing. The construction of a terminal for Piper is nearing completion, so that the first oil should be flowing from the field by October.

Output from Piper this year was expected to start at around 15,000 barrels a day. It is understood, that within Occidental there are hopes that the true figure might work out at between 30,000 to 45,000 barrels a day. Eventually the field, with estimated recoverable reserves of some 800m. barrels, should be producing between 200,000 and 250,000 barrels a day.

Oil from the Claymore field will also be fed through the Piper system. It is worth noting that following piling problem on Piper, Occidental is adopting similar remedial action for Claymore. It is to charter a converted semi-submersible rig, the Bredford Dolphin, to assist in the Claymore piling operation.

Recent successful drilling on Texaco's 14/20 block, where flows of 3,296 barrels a day were recorded through an undisclosed choke, has heightened speculation that Texaco will choose to proceed with production from its adjoining 14/20 and 15/16 blocks and use the Piper pipeline system. Indeed last night Texaco named the 15/16 find and talked of like development by 1980.

Apart from Brent and Piper two other fields are due on stream this year—Mobil's Beryl and Amoco's smaller Montrose find. The Beryl Field was to have come on stream in January, but the tanker mooring buoy broke free from its concrete base in December. The buoy—a 480 feet tower—is currently anchored off Stavanger and is expected to be towed to the field later this month. Assuming there are no further problems, Beryl should be producing by June or July with output building up to 30,000-40,000 barrels a day by the end of the year.

The Amoco group has already started production drilling from its Montrose platform and it appears that the first oil will flow in July or August, refreshingly on schedule. The field is to be developed by the tanker loading method. Two vessels will collect crude from two single buoy mooring units which are currently in Newcastle awaiting shipment to the field. Initial production should be at the rate of 10,000 barrels a day rising to a peak of 50,000-60,000 b/d.

Finally: the mystery of the field that isn't. On page 45 of the Government's latest offshore oil and gas report, the so-called Brown Book, we find scant reference to a newly-named find, the Lyell Field. Helpfully, the Brown Book reports that it is part of the Brent formation lying in the Middle Jurassic zone. But that is all the information given.

Investigation reveals that the Department of Energy may have been hasty, to say the least. Lyell is the working name of the discovery on Continental Oil's 3/2 block. The name — after the 19th century Scottish geologist Charles Lyell (1795-1875)—was never officially ascribed to 3/2, nor indeed confirmed by Conoco. This is hardly surprising. After all only one well has been sunk on the block, and the commercial potential of this small find in the words of a leading analyst, is "dubious."

APPOINTMENTS

R. Barnes heads Finance Houses

Mr. Ronald J. Barnes, a director of Lombard North Central has been appointed chairman of the FINANCE HOUSES ASSOCIATION. He succeeds Mr. Humphrey Oliver, a director of United Dominions Trust, who has completed his two-year term of office as chairman of the Association. Mr. Barnes also becomes chairman of the General Purposes, Membership and Finance Committee and of the Monetary and Economic Committee.

★

Mr. W. H. Frew has been appointed financial director of Dunford Hadfields and Brown Bayley Steels. He succeeds Mr. D. R. Ward, who remains deputy chairman of both concerns and financial director of the parent company, DUNFORD AND ELLIOTT.

★

Sir Robert Clark, chairman of Hill Samuel and Co., has been appointed a director of the Bank of England until February 28, 1977, in the place of the late Sir Val Duncan.

★

Mr. D. J. Knight has resigned from the Board of TOM MARTIN METALS GROUP and from the subsidiary companies of which he was a director. The following appointments to subsidiary Boards are: Mr. V. J. Warner, Tame Valley Alloys; Mr. R. Powis, Drome Garages, H. B. Clarke and Foil Recovery; Mr. R. A. C. Janes, William E. Dunn.

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IRAQ

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Candidates having the requisite qualifications and experience may apply to the Chairman, State Constructional Contracting Company, P.O. Box 5772, Rashid Street, Baghdad, before 31/5/1976 enclosing the following documents:—

(i) Photocopy of Educational degrees
(ii) Photocopy of experience certificates
(iii) History sheet giving age and details of family members.

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Designation	No.	Qualifications
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Section Engineer	3	Civil Engineer with an approved College Degree or Diploma with a min. of four years' experience.
Pre-cast Concrete Engineer	1	Civil Engineer with an approved College Degree or Diploma with a minimum of four years' experience part of which shall have been in Concrete Testing Lab. and in production of quality precast units.
Planning Engineer	3	Civil Engineer with an approved College Degree or Diploma with a minimum of three years' experience in the construction industry with preferably one year in Contractor Planning Office. Able to prepare overall and detailed programmes for works, labour, materials and Plants and to monitor production.
Material Engineer	1	Civil Engineer with an approved College Degree or Diploma with four years' experience in the Construction Industry of which at least one year will have been spent in connection with the procurement and testing of materials.
Assistant Material Engineer	1	Civil Engineer with an approved College Degree or Diploma.
Setting out Engineer	3	Civil Engineer with an approved College Degree or Diploma with two years experience as Site Engineer in the Construction Industry and familiar with setting out instruments.
Assistant Setting out Engineer	1	Civil Engineer or Surveyor with an approved College Degree or Diploma.
Design Engineer	1	Civil Engineer with an approved College Degree or Diploma with five years' experience in the Construction Industry, of which two years shall have been spent on design of Civil Engineering and Building works.
Mechanical and Electrical Engineer	3	Approved College Degree or Diploma with two years' experience in Building and Equipments installation industry. One Engineer shall be experienced in heating and air conditioning, one in water supply, plumbing and sanitation and one in electrical installation and wiring.
Quantity Surveyors	2+2	With AIQS or AIOB or ARICS or equivalent Degrees in Quantity Surveying in Civil Engineering, two with four years' experience and two with two years' experience.
Material Surveyor (Civil Eng.)	1+1	As above with experience in taking off and scheduling of materials for ordering purposes and sub-contract enquiries. One with four years' experience and one with one year's experience.
Quantity Surveyor (Electrical and Mech. Eng.)	2	AIQS or ARICS or AIOB or equivalent degrees with two years' experience in Mechancial and Electrical Engineering.
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Carpenter Foremen	4	
Building Foremen	3	
Steel Fixing Foremen	3	Suitable trade background with minimum of five years' experience.
Concrete Foremen	3	
Finishing Foremen	6	
Wet Trade and Sanitary Foremen	3	
Precast Concrete Foremen	2	
Draughtsmen (Civil Eng.)	2	One year polytechnic in draughtsmanship of Civil Engineering and building works with at least two years' relevant experience.
Draughtsmen (Mech. and Elect. Eng.)	2	Same as above but one in Mech. Eng. and one in Electrical Engineering.

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Early losses reversed on WPI

BY OUR WALL STREET CORRESPONDENT

NEW YORK, May 6.

EARLY LOSSES were reversed on Wall Street to-day, when the announced Wholesale Price Index for April was no worse than expected." The fact that the market did not sell off sharply on the news probably was a source of encouragement to some investors.

After opening another 1.02 off at 985.44, the Dow Jones Industrial Average rallied to 989.14 by 1 p.m., for a net gain of 2.68. The NYSE All Common Index put on 10 cents to $53.80, while advances led declines by a six-to-five margin. Trading volume expanded 440,000 shares to 9.25m., compared with 1 p.m. yesterday.

Just as the Stock Market opened, the Labour Department reported a 0.3 per cent. rise in the WPI for last month, the biggest rise for the Index in six months but in line with earlier forecasts.

Analysts said part of the Stock Market's hesitation was a reflection of the usual caution ahead of the weekly banking figures, which will be released late this afternoon.

Lockheed Aircraft firmed $¼ to $10, following higher first quarter earnings.

Marathon Oil added $¾ at $55¾ on a quarterly dividend of 50 (45) cents a share.

Pittston, the best performer on the most active list, climbed $1⅜ to $43¾.

Eastman Kodak, another volume leader, fell $⅝ to $102¾.

International Paper rose $1⅛ to $71, while Exxon picked up $1⅛ to $97¼.

F. W. Woolworth rose $1 to $22½ after reporting higher April sales.

Overseas Shipholding Group added $⅜ at $14¾ on sharply higher earnings for the first quarter.

Teledyne gained $2 to $57⅞, and Moore McCormack Resources rose $1½ to $44¾.

The American SE Market Value Index rose 0.20 to 102.26, while the turnover approximated 1.27m. (1.02m.) shares.

WEDNESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Sony	238,000	9	—
Texaco	192,600	27⅞	−⅛
Holiday Inns	179,100	13⅛	−⅜
Signal Cos.	167,600	20⅛	−⅛
Eastman Kodak	155,700	102¾	−3½
Boeing	146,300	30⅝	+⅛
Twentieth Century	145,300	12½	+1½
American Air.	141,500	11⅞	−⅛
Amer. Tel. Tel.	129,600	57⅜	+⅛
Allied Stores	127,200	50⅜	—

Closing prices and market reports were not available for this edition.

OTHER MARKETS

Canada still firm

Canadian Stock Markets continued generally firm in moderate trading yesterday morning.

The Industrial Share Index rose 0.22 to 193.31, Western Oils 0.23 to 228.84, Utilities 0.31 to 142.53, Banks 0.60 to 248.26 and Papers 0.11 to 127.16. But Golds further declined 2.30 to 390.59 and Base Metals shed 0.08 to 89.39.

E-L Financial moved ahead $1 to $6¼ in the wake of higher first quarter earnings. Crown Trust advanced $2 to $20¼ but Crown Life slipped $1 to $48.

PARIS — Stocks weakened in thin dealings, with operators still discouraged by Government Capital Gain Tax plans.

Engineerings and Constructions were down, Metals were mixed, while other sectors fell.

German, Dutch, Canadian and Gold Mining shares all declined. Americans were weak.

BRUSSELS—Mixed trend in quiet trading.

Steels were lower, Chemicals mostly declined. Oils firmed a little. Holdings finished narrowly irregular, while Electricals and Utilities were steady.

U.S. shares were a little higher. South African Gold Mines declined, German sector lower, French stocks steady, while Dutch issues firmed.

AMSTERDAM—Market again weakened over a broad front on lack of interest.

Dutch Internationals were mixed, with Hoogovens and Philips down. Akzo were firm on a net profit for the first quarter after heavy losses last year.

Nationale Nederlanden were resistant in markedly lower Insurances.

State Loans weakened, with moderate interest for the new State Loan.

SWITZERLAND—Mostly easier. Swissair fell Frs.22 to Frs.528 on some selling pressure.

Major Banks were little changed, while Insurances rose over a broad front. Small losses predominated among leading Industrials.

State Bonds were fairly steady.

In a fairly-active Foreign sector, Dollar stocks eased slightly. Dutch Internationals were barely steady, while Germans lost considerable ground.

GERMANY—Sharply lower, with losses averaging a maximum DM5. No single factor accounted for the fall, apart from a weaker tendency in the Bond Market.

Karstadt shed DM8 to 405, Siemens DM3.90 to 284.5, and Dresdner Bank DM5.50 to 223.

Mannesmann were lowered DM5.5 to 363—it announced an unchanged basic dividend, while Hoechst lost DM2.80 to 1,584 despite higher first quarter pre-tax profits.

The Regulating Authorities bought DM12.5m. nominal of stock from the Bond Market, where prices lost up to DM0.50. Mark Foreign Loans were weaker.

OSLO — Bankings, Industrials and Shippings quiet, Insurances firmer.

VIENNA—Slightly higher.

COPENHAGEN — Mixed in moderate dealings.

MILAN — Irregularly lower in slack trading.

Bonds were generally easier.

TOKYO—Market lost heavily on "massive" liquidations, as investors became cautious of the rapid gain last week. Volume 160m. shares.

The downward movement was accelerated by the announcement by Teikoku Oil, off Y62 to 296, of its test drilling failure in Southern Japan.

Constructions, Chemicals, Petrochemicals, Ceramics and non-Ferrous Metals all lost ground.

Motors reflected Britain's announcement that it is studying car imports. Toyota Motor fell Y10 to 710 and Nissan Y5 to 485.

Among Electricals, Nippon Electric shed Y1 to 196, despite a Y4.5bn. communications equipment order from National Iranian Gas.

Pioneer fell Y90 to 3,120, Mitsumi Y36 to 748, TDK Y60 to 1,620, Makita Y40 to 1,820, and Alps Y40 to 920.

HONG KONG—Lower in light trading.

Hong Kong Bank were down 20 cents to $HK20.00, Hong Kong Land 10 cents to $HK7.60, Hutchison 5 cents to $HK2.95, Wheelock "A" 5 cents to $HK2.60, Hong Kong Electric 5 cents to $HK4.20, Jardine 50 cents to $HK22.20 and Swire Pacific "A" 15 cents to $HK9.40.

JOHANNESBURG—Gold shares were easier in line with the lower bullion price and ahead of the IMF announcements on bullion sales.

Financial Minings were quietly steady.

The Metals sector gave ground on profit-taking. Platinums, however, were firmer.

Industrials also were firmer.

AUSTRALIA—Uraniums, Base Metals and selected Industrials were firm in active trading.

Pancontinental rose 30 cents to $A11.10, following the earlier Parliament statement reassuring *shareholders that its development of uranium deposits would not be hindered by the Government's Local Equity Requirements.*

Queensland Mines put on 5 cents to 2.30.

Base Metal leaders attracted support, with Bougainville up 2 cents to 1.43, CRA 6 cents to 2.98, MIM 4 cents to 2.65, Poseidon 5 cents to 1.95 and Robe River 3 cents to 1.14.

Coals were weaker, with Thiess off 5 cents to 2.40 and Coal and Allied 3 cents to 2.43.

Retailers gained ground, with Grace Bros. rising 3 cents to 2.25.

BHP improved 10 cents to 7.48 and Comalco gained 5 cents to 1.95.

Banks were mixed. Bank of NSW added 2 cents at 6.06 but CBC shed 2 cents to 2.03.

CSR rose another 5 cents to 4.30.

Indices

NEW YORK—DOW JONES

	May 5	May 4	May 3	April 30	April 29	April 28	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
Industrials	988.45	983.70	990.82	996.85	1002.13	1000.71	1,011.02 (21/4)	858.71 (2/1)	1051.70 (11/1/73)	41.22 (8/7/32)
Home Bonds	72.82	72.74	72.88	73.06	73.15	73.35	75.50 (22/4)	68.11 (2/1)	—	—
Transport	211.65	212.02	216.45	212.77	212.65	211.59	215.48 (22/4)	175.69 (2/1)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	87.42	87.58	87.82	87.74	87.89	87.55	91.90 (4/2)	84.84 (2/1)	163.32 (20/4/69)	10.58 (28/4/42)
Tr'ding vol. 000's	14,870	17,240	15,180	14,630	17,740	15,780	—	—	—	—

	April 30	April 23	April 19	Year ago (approx.)
Ind. div. yield %	3.70	3.69	3.76	4.55

STANDARD AND POORS

	May 5	May 4	May 3	April 30	April 29	April 28	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
*Industrials	113.40	114.11	113.45	114.28	114.85	114.89	118.57 (24/3)	101.64 (2/1)	134.64 (11/1/73)	3.52 (30/6/32)
†Composite	100.88	101.46	100.92	101.64	102.13	102.13	105.71 (24/3)	90.90 (2/1)	120.24 (11/1/73)	4.40 (1/6/32)

	April 29	April 23	April 19	Year ago (approx.)
Ind. div. yield %	3.55	3.28	3.76	3.85
Ind. P/E Ratio	15.85	14.00	—	9.89
Long Govt. Bond yield	5.56	5.49	—	6.25

N.Y. S.E. ALL COMMON.

May 5	May 4	May 3	April 30	1976 High	1976 Low
53.70	53.97	53.68	54.11	55.20 (5/4/76)	37.08 (2/1/75)

Rises and Falls May 5

Issues Traded—1,844 Up—552

Down—850 Same—462

New Highs—42 New Lows—23

MONTREAL	May 5	May 4	May 3	April 30	1976 High		1976 Low	
Industrial	201.72	200.85	200.41	202.14	205.87	(25/2)	176.92	(2/1)
Combined	194.67	195.86	195.30	194.99	198.87	(24/2)	173.57	(2/1)
TORONTO Industrials	192.06	191.69	190.81	191.98	197.45	(20/2)	175.81	(2/1)
JOHANNESBURG Gold	201.0	199.2	199.9	198.1	226.7	(12/3)	174.4	(6/4)
Industrials	209.4	207.5	207.5	206.8	212.6	(2/1)	186.8	(6/4)

	May 6	Previous	1976 High	1976 Low
Australia (a)	461.10	458.05	478.91 (12/3)	446.42 (5/1)
Belgium (b)	101.92	102.92	113.13 (6/2)	101.92 (6/5)
Denmark (d)	—	103.77	107.78 (27/1)	100.30 (10/5)
France (e)	66.2	66.3	74.5 (3/3)	66.0 (22/4)
Germany (f)	762.6	777.3	821.7 (17/3)	753.0 (4/5)
Holland (g)	97.0	98.5	106.3 (6/3)	97.0 (6/5)
Hongkong (h)	418.86	422.21	465.33 (17/3)	404.03 (3/1)
Italy (k)	77.62	77.40	91.37 (23/3)	72.20 (4/5)
Japan‡ (m)	333.66	341.35	344.61 (24/3)	326.23 (5/1)
Singapore (n)	259.10	258.75	286.18 (3/3)	236.35 (2/1)
Spain	98.70	98.34	99.70 (6/5)	83.43 (1/4)
Sweden (q)	473.64	476.25	476.25 (6/5)	384.35 (13/1)
Switz'rl'd (r)	293.4	294.6	299.5 (12/3)	291.5 (4/5)

Indices and base dates (all base values 100 except NYSE All Common—50, and Standards and Poors 10; (a) Sydney All Ord. (b) Belgian SE 31/12/63. (d) Copenhagen SE 1/1/73. (e) Paris Bourse 1961. (f) Commerzbank December, 1953. (g) Amsterdam Industrial 1970. (h) Hang Seng Bank 31/7/64. (k) Milan 2/1/73. (m) Tokyo New SE 4/1/68. (n) Straits Times 1966. (p) Madrid SE 31/12/74. (q) Stockholm Industrials 1/1/58. (r) Swiss Bank Corp. 31/12/58. (u) Unavailable. ‡ Excluding bonds. * 425 Industrials. † 425 Inds., 50 Utilities and 25 Rails. (c) Closed.

Pound easier

Sterling lost ground in the foreign exchange market again yesterday, falling to $1.8230-$1.8240 against the U.S. dollar, a drop of 15 points on the day. Continued disappointment at the level of the pay deal between the Government and the TUC was reflected in further selling of the pound, but trading was fairly quiet overall. Switching out of sterling by oil exporting countries may have contributed to the fall to a worse level of $1.8180-$1.8190, but there was no heavy pressure and it is probable that the Bank of England did not intervene.

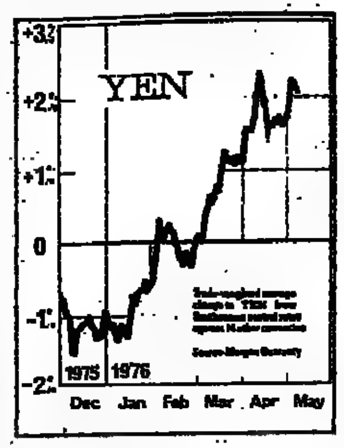
The pound's trade-weighted average depreciation since the Washington Currency Agreement, as calculated by the Bank of England, widened to 37.8 per cent. from 37.4 per cent., and stood at 37.5 per cent. in early dealings and 37.6 per cent. at noon.

Foreign currency restrictions announced by the Italian authorities on Wednesday evening, helped push the lira up sharply. It finished at L879 to the dollar, compared with L917 previously, and traded within a wide range of L874 to L907. The French franc also improved, to Frs.4.4690 against the dollar, compared with Frs.4.48 on Wednesday.

Nervous conditions in the market, particularly with regard to sterling and the Italian lira, attracted further upward pressure on the Swiss franc. It closed at Sw.Frs.2.4652½ in terms of the dollar, from a previous level of Sw.Frs.2.4912½.

The dollar's trade-weighted average depreciation, as calculated by Morgan Guaranty of New York, widened to 1.98 per cent. from 1.72 per cent.

Gold showed little reaction to the terms of the first IMF gold auction, closing at $126¾-$127¼, a fall of $¾ on the day. The krugerrand's premium over its gold content widened to 2.85 per cent. from 2.55 per cent. for domestic delivery, and to 3.24 per cent. from 2.94 per cent. in the international market.



SPECIAL DRAWING RIGHT RATES

One SDR is equal to	May 5	May 4
Sterling	0.627449	0.632036
U.S. dollar	1.14980	1.14999
Belgian franc	44.5892	44.5521
Deutsche mark	2.91129	2.91085
French franc	5.37876	5.35068
Italian lira	1053.16	1046.73
Japanese yen	—	343.852
Dutch guilder	3.08836	3.08657
Swedish krone	5.02520	5.03696
Swiss franc	2.86358	2.87072

Values are for currencies against the SDR as calculated by the International Monetary Fund in Washington.

EXCHANGE CROSS-RATES

May 6	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankfurt	—	2.5309 18	54.19-26	6.52-53	4.61-2	94.26-32	102.80 87
N. York*	39.41-49	—	21.38-40	2.578-580	1.8240-8250	37.21-28	40.18 30
Paris	184.495-585	4.6695 6785	—	12.05-05	8.515-545	173.91 31	189.05 45
Brussels	15.33-36	38.81-84	8.29-31	—	70.75 87	14.44-47	15.69 73
London	4.61½-2½	1.823-828	8.51-52	70.65 35	—	4.83½-80½	4.49½-50½
Am'rd'm	106.095-145	2.6852 77	57.415-465	6.9185 9255	4.89½-½	—	108.075-625
Zurich	97.39 50	2.4682 77	52.77-83	6.355-3625	4.4945-500	91.81-88	—

U.S. $ in Montreal. U.S. $=98.04-06 Canadian cents.
Canadian $ in New York. C$=102.01-03 U.S. cents. U.S. $ in Milan 879.0-881.0
Sterling in Milan 1605.0-1607.0. *Rates for May 5.

EURO-CURRENCY INTEREST RATES*

May 6 1976	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
†Short term	14-15	4⅞-5⅜	7¼-8¼	4⅝-4⅞	3⅛-3⅝	½-1
7 days' notice	15-16	4⅞-5⅛	8-9	4⅜-4⅞	3¼-3⅝	¾-1
Month	12¼-12¾	5-5⅛	8⅞-9⅜	5⅜-5⅞	3⅝-3⅞	1⅛-1⅜
Three months	11⅝-12⅛	5¼-5⅝	9⅛-9⅝	5⅜-5⅞	3½-3⅞	1¼-1⅝
Six months	11⅝-12⅛	6-6⅛	9⅜-9⅝	4⅛-4⅜	3⅞-4	1⅞-2
One year	12⅛-12⅝	6⅜-7⅛	9⅝-9⅞	4⅞-5⅛	4⅛-4⅜	2¼-2⅝

Euro-French deposit rates: two-day 8-8½ per cent.; seven-day 8-8½ per cent.; one-month 8½-9½ per cent.; three-month 10-10½ per cent.; six-month 10½-11½ per cent.; one year 10½-10½ per cent.

Longer-term Eurodollar deposits: two years 7¼-7¾ per cent.; three years 7¾-8⅛ per cent.; four years 8¼-8⅝ per cent.; five years 8½-8¾ per cent.

The following nominal rates were quoted for London dollar certificates on deposit: one month 5 5/16-5 7/16 per cent.; three months 5½-5¾ per cent.; six months 5⅞-6 per cent.; one year 6⅝-6⅞ per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars, and Canadian dollars, two-days' notice for guilders and Swiss francs.

GOLD MARKET

	May 6
Gold Bullion (a fine ounce)	
Close	$126¾-127¼
Opening	$126½-127½
Morning fix'g	$126.90 (£69.356)
Afternoon fix'g	$126.90 (£69.603)
Gold Coins (domestic'lly)	
Krugerrand	$129¾-131¼ (£71¼-72¼)
NewSov'r'gns	$45½-47½ (£25-26)
Old Sov'r'gns	$44-46 (£24¼-25¼)
Gold Coins (Intern'lly)	
Krugerrand	$130¼-132¼ (£71½-72¼)
NewSov'r'gns	$45½-47½ (£25-26)
Old Sov'r'gns	$41½-43½ (£22¾-23¾)
$20 Eagles	$214-217
$10 Eagles	$107-110
$5 Eagles	$77-80

FOREIGN EXCHANGES

May 6 1976	Bank Rate %	Day's Spread
New York	5½	1.8180-1.8255
Montreal	9½	1.7821-1.7976
Amsterdam	6	4.88-4.93
Brussels	7	70.40-71.30
Copenh'gen	8½	10.94-11.07
Frankfurt	5½	4.60-4.65
Lisbon	6½	54.05-54.70
Madrid	†7	122.30-123.75
Milan	12	1,583-1,658
Oslo	6	9.88-9.95
Paris	8	8.48-8.55
Stockholm	5½	7.94-8.01
Tokyo	6½	540-555
Vienna	5	32.90-33.40
Zurich	2½	4.48-4.56

† Basic discount. ‡ Given rates for convertible francs. Closing financial 72.45-72.75.

OTHER MARKETS

		¶Notes
◆Argen'na	255.25-255.45	Argentina
Australia	1.4943-1.4985	Austria
Brazil	18.74-18.84	Belgium
Finland	6.99-7.01	Brazil
Greece	65.937-67.578	Canada
H'gKong	8.90-8.925	Denmark
Iran	127-129	France
Kuwait	0.525-0.535	Germany
Luxemb'g	70.65-70.85	Greece
Malaysia	4.6480-4.6610	Italy
N.Zealand	1.8744-1.8806	Japan
Saudi Arab	6.40-6.50	Neth'rl'ds
Singapore	4.4985-4.5125	Norway
S. Africa	1.5786-1.5898	Portugal
U.S.—		Spain
Canada		Switz'land
US$—		U.S.
U.S. cents	181.86-181.88	Yugosla'ia

Based on rates quoted by dealers. ◆ Rate given is Official BCRA rate 443.57-443.97.

FORWARD RATES

	One month	Three
New York	1.12-1.02 c.pm	2.82-2.72
Montreal	0.50-0.40 c.pm	1.10-1.0
Amst'dam	3¼-2¼ c. pm	10-8 c. pm
Brussels	5-25 c. dis	10-50 c.
Cop'nhg'n	½ ore pm-½ ore dis	5-1 ore pm
Frankfurt	3¼-2¼ pf. pm	10.9 pf. pm
Lisbon	par-50 c. dis	20 c pm-80
Madrid	par-50 c. dis	par-100 c.
Milan	27-37 lire dis	75-85 lire
Oslo	1 ore pm-1 ore dis	5½-3½ ore
Paris	2½-1½ c. pm	3-2 c. pm
Stock'lm	3-1 ore pm	7-5 ore pm
Vienna	25-05 gro pm	60-30 gro
Zurich	4⅛-3⅛ c. pm	12-11 c pm

Six-month forward U.S. dollar 4.92 pm and 12-month 5.90-5.80c pm.

OVERSEAS SHARE INFORMATION

Investment premium based on $2.60 per £—124¼% (124¼%).

NEW YORK

Stock	May 5	May 4
Addressograph	9	9
Aetna Life & Cas.	28⅛	28⅛
Air Products	79⅛	79¼
Airco	25⅜	25½
Alcan Aluminium	28⅜	28⅝
Alcoa	51⅜	51⅝
Allegheny Ldlm.	36½	36⅛
Allegheny Power	17⅞	17⅞
Allied Chemical	40¾	42
Allied Stores	50⅜	50¾
Allis Chalmers	18½	18⅛
Amax	53½	54
Amerada Hess	22	22
Amer. Airlines	11⅜	11⅞
Amer. Brands	40⅞	40⅝
Amer. Broadcast.	29¼	29¼
Amer. Can	35⅛	35
Amer. Cyanamid	25	25
Amer. Elec. Powr	21⅛	21⅞
Americ'n Express	33⅞	32¾
Amer. Home Prod	33	33½
Amer. Medical	8⅜	8⅝
Amer. Motors	5¾	5⅞
Amer. Nat. Gas	34¾	34¾
Amer. Standard	24¾	25¼
American Stores	27	27¼
Amer. Tel. & Tel.	57⅜	57⅜
AMF	20¼	20⅜
Ampex	7⅛	7¼
Anaconda	23¾	23¾
Anchor Hocking	30¼	30½
Anheuser Busch	31⅜	31¾
Armco Steel	31⅜	31¾
A.S.A.	25	25¼
Asamera Oil	12	12⅛
Asarco	17	17
Ashland Oil	28½	28⅞
Atl. Richfield	94⅜	96½
AVC	12⅞	12⅝
Avco	10	10⅜
Avis	9½	9⅝
Avon Products	42⅝	43
Balt. Gas Elect.	23⅞	24⅛
Bank America	51⅝	51⅛
BankersTr. N.Y.	33¾	32⅞
Barber Oil	27	27
Beatrice Foods	24⅜	24⅜
Becton Dickins'n	38⅝	38⅞
Bell & Howell	18⅝	18¾
Bendix	42¼	42½
Benguet Cons. 'B'	2	2
Bethlehem Steel	41	41⅛
Black & Decker	22	22⅝
Boeing	30⅞	30¾
Boise Cascade	26½	27⅛
Borden	28	28
Borg Warner	28⅛	29⅛
Braniff Int.	11	11⅜
Brascan 'A'	11½	11½
Bristol Myers	74⅛	75⅝
Brit. Pet. ADR	12	11⅞
Brockway Glass	30⅞	30⅜
Brunswick	14⅞	15
Bucyrus Erie	26¾	26⅞
Budd	15⅛	15⅜
Bulova Watch	6⅛	6½
Burlington Nthn	39	39⅛
Burroughs	101⅞	102⅛
Calif Computer	4½	4⅝
Campbell Soup	31⅛	31⅜
Canadian Pacific	18	17⅞
Canal Randolph	11	11
Carnation	66⅛	65¼
Carrier & General	14¼	14⅛
Carter Hawley	21⅛	21⅝
Caterpillar Tract'r	86⅝	86⅝
CBS	51¾	52½
Celanese Corpn.	51⅛	51¼
Central & S.W.	14⅝	14⅞
Certain Teed	20¾	21½
Cessna Aircraft	27¼	27½
Chase Manhattan	28	28⅛
Chemical Bk NY	36⅛	36⅛
Chesebrgh Pond.	58½	58⅝
Chessie System	35½	35
Chicago Bridge	64	64
Chrysler	19⅝	20
Cinerama	2	1⅞
Cinc. Milacron	28	27½
Citicorp	33¾	34⅜
Cities Service	43½	43⅜
City Investing	9¼	9¼
Coca Cola	82½	82⅜
Colgate Palm	25⅝	25⅝
Collins Aikman	12⅝	12⅞
Columbia Gas	24⅝	24⅛
Columbia Pict.	5¾	5½
Com InsCoof Am	9⅝	9½
Combustion Eng.	38⅜	39¼
Comw'th Edison	28	28⅛
Comw'th Oil Ref	9¾	9¾
Comm. Satellite	26½	27
Con. Edison N.Y.	17⅜	17¼
Consol Foods	21	21
Consol Nat. Gas	27⅛	27⅛
Consumers Power	20	20
Continental Can.	29⅞	30
Continental Oil	70¼	68¾
Continental Tele.	14	14⅛
Control Data	21⅜	22¼
Cooper Indus.	31⅛	31¼
Copper Range	23	22½
Corning Glass	75⅜	75⅜
CPC Int'nation'l	43⅞	44
Crane	63½	63⅛
Crocker Nat.	23⅝	23½
Crown Zellerbach	43⅜	44¾
Cummins Engine	55	52½
Curtiss-Wright	12⅝	12⅞
Dana	20½	20¼
Dart Industries	32⅞	33⅛
Deere	64⅛	64⅞
Del Monte	25⅝	26⅛
Deltona	4⅜	4½
Detroit Edison	14	14
Diamond Shamrk	66⅛	67⅛
Dictaphone	8⅛	8¼
Digital Equip.	166¾	169⅛
Disney (Walt)	53⅞	55⅛
Dover Corpn	62	62¼
Dow Chemical	107⅛	108⅝
Dresser	76⅛	75¾
Du Pont	149¾	151½
Dymo Industries	8⅜	9
Eagle Picher	33¼	33⅛
East Air Lines	8	8⅛
Eastman Kodak	103⅝	107⅛
Eaton	38⅜	38⅛
EG & G	14⅜	14⅜
El Paso Nat. Gas	14	13⅞
ELTRA	28⅛	28¼
Emery Air Fr'ght	41¾	41⅞
E.M.I.	4⅜	4¾
Engelhard Min.	30⅝	29⅛
Esmark	38¾	39⅛
Ethyl	41⅛	41⅛
Exxon	96⅛	95
Fairchild Camera	38¾	39¼
Fed. Dept. Stores	52¾	55
Firestone Tire	23¾	23¼
Fst. Nat. Boston	27⅞	28¼
Flexi-Van	9¼	9⅜
Flintkote	19½	19⅞
Florida Power	27⅛	27⅜
Fluor	32⅞	33⅛
F.M.C.	22⅜	22⅜
Ford Motor	57¼	58
Foremost-Mck	16⅛	16⅜
Foxboro	39	39¼
Franklin Mint	33	33¾
Freeport Minerals	27⅜	27¼
Fruehauf	24¼	24⅝
Fuqua Industries	7¾	7⅞
G.A.F.	14¾	15
Gannett	36½	37
Gen. Amer. Inv.	10	10¼
GATX	28¼	28¼
Gen. Cable	10⅜	10½
Gen. Dynamics	56⅝	57¼
Gen. Electric	51⅞	53
General Foods	28¾	28⅞
General Mills	28¼	28½
General Motors	70¾	70¾
Gen. Pub. Util.	17	16⅞
Gen. Signal	40⅛	39¾
Gen. Tel. Elect.	25⅞	26
Gen. Tire	21¼	20¾
Genesco	7⅛	7⅛
Georgia Pacific	53⅞	54¼
Getty Oil	165½	163
Gillette	29⅝	30¼
Global Marine	8	8
Goodrich B. F.	26⅛	25⅞
Goodyear Tire	21⅞	21¾
Gould	28½	28¾
Grace W. R.	28⅜	28¼
Grand Union	13¾	13¾
Gt. Atlan Pac Tea	13¼	13¼
Grt. North Iron	15½	15½
Greyhound	16	16
Grolier	2⅜	2½
Grumman	17⅞	17⅞
Gulf & Western	22⅝	22¼
Gulf Oil	25¼	25⅜
Halliburton	50⅞xc	50⅞xc
Hanna Mining	51¾	52
Harnischfeger	34½	34¼
Harris Corpn.	44⅛	43½
Heinz H. J.	47	46¼
Heller (W.E.)	22⅝	23¼
Heublein	51⅛	50
Hewlett-Packard	106¾	107⅞
Holiday Inns	13⅛	13¼
Homestake	39⅛	39½
Honeywell	43⅞	45
Hoover	12⅛	12¼
Household Fin.	17¼	17⅝
Hutton E. F.	17¼	17¾
IC Industries	18⅞	19
ICN Pharmac.	5¼	5¼
INA	36⅜	36⅜
Ingersoll Rand	87¼	87½
Inland Steel	54⅝	54½
Insilco	10¾	10⅞
IBM	248¼	252½
Intl. Flavors	26	26
Intl. Harvester	25⅞	25⅝
Intl. Min & Chem	33⅞	34⅛
Intl. Nickel	33⅜	33½
Intl. Paper	69⅞	71
Intl. Tel & Tel	26¼	26⅜
Invest	2⅜	2⅝
Iowa Beef	28⅜	28¾
IPG	24	24
IU International	10⅜	10½
Jim Walter	40½	39⅞
Johns Manville	28⅞	29
Johnson Johnson	87⅜	87⅛
Johnson Control	21½	21⅛
Joy Manufactur'g	43½	44
Kaiser Alumin'm	32¼	33⅜
Kaiser Industries	11⅛	11⅛
Kaiser Steel	37¾	39¼
Kay	5¼	5⅜
Kennecott	33⅛	33⅞
Kerr McGee	65⅞	66¼
Kidde Walter	26¼	27
Kimberly-Clark	39⅛	39⅛
Koppers	30¾	31¼
Kraftco	43⅞	43⅛
Kresge	35¼	36
Kroger Co.	19	18⅞
Libbey Ow. Ford	33⅞	33⅛
Libby McNeill	8¼	8¼
Liggett Group	33¼	33⅛
Lilly (Eli)	50¼	50⅞
Litton Indust.	16⅝	16⅛
Lockheed Aircraft	9⅞	9¾
Lone Star Inds.	16⅞	16¾
Long Island Ltg.	17¼	17⅛
Louisiana Land	24⅝	25⅛
Lubrizol	35¾	36
Lucky Stores	14¾	14¾
L'kes Youngst'wn	25⅜	25⅛
Mac Millan	5⅞	6
Macy R. H.	32⅝	32¾
Mfrs Hanover	37⅛	37⅛
Mapco	35	34¼
Marathon Oil	55	55
Marcor	36¾	36⅝
Marine Midland	10	10
Marshall Field	21⅝	21⅞
May Dept. Stores	50	50⅛
MCA	69⅛	71
McDermott	46¾	46
McDonnell Doug.	20⅝	20⅛
McGraw Hill	13¾	14
Merck	73¾	74⅛
Merrill Lynch	25⅛	25¼
MGM	15¾	15¼
Minn. Mng & Mfg	59	60¼
Mobil Oil	58⅝	58⅞
Monsanto	92⅞	92
Morgan J. P.	59¼	58⅝
Motorola	51⅜	52⅛
Murphy Oil	19⅛	19½
Nabisco	41¼	41⅜
Nalco Chemical	34¾	35
National Can	12⅝	12⅛
Nat. Distillers	25¾	23⅞
Nat. Service Ind.	12⅝	12½
National Steel	45¼	45½
Natomas	24	23¼
NCR	26¾	27⅛
Neptune Intl.	17⅛	17¼
New England El.	20½	20⅜
New England Tel	28⅜	28⅜
Niagara Mohawk	13¼	13⅜
Niagara Share	12¾	12⅛
N.L. Industries	17⅜	16⅝
Norfolk & Western	77½	76⅛
North Nat. Gas	46	44⅝
Nthn States Pwr.	25¼	25⅛
Nthwest Airlines	28⅞	28⅞
Nthwest Bancorp	52	51¾
Norton Simon	19¾	19⅛
Occidental Petrol	14¾	14⅛
Ogilvy Mather	26	26
Ohio Edison	18¼	16⅝
Olin	38⅜	38⅛
Otis Elevator	44¼	44⅛
Overseas Ship	14	14⅛
Owens Corning	55⅞	55⅞
Owens Illinois	61⅜	60⅝
Pacific Gas	20⅝	20⅝
Pac. Lighting	17	17⅛
Pac. Pwr. & Lt.	21⅛	21⅜
Pan Am World Air	5⅜	5½
Parker Hannifin	29¼	29¼
Peabody Galion	15¾	15¼
Penn Central	1⅝	1⅝
Penn Pw & Lt	20¼	20⅛
Penney J.C.	54¾	55⅛
Pennzoil	28⅞	28⅛
Peoples Drug	6¾	6¾
Peoples Gas	36½	36⅝
Pepsico	73⅛	73⅝
Perkin Elmer	20⅛	20¼
Pet	25⅛	24¾
Pfizer	27⅞	27½
Phelps Dodge	43⅞	44
Philadelphia Elec	16⅛	16⅝
Philip Morris	56¾	56
Phillips Petrol'm	56¼	56⅝
Pickwick Inter.	18	18
Pillsbury	37¾	38⅛
Pitney Bowes	14¼	14⅛
Pittston	42⅛	42
Plessey Ltd ADR	14¼	14
Polaroid	33¾	34⅛
Potomac Elec.	13⅛	13⅛
PPG Industries	51⅜	50⅜
Procter Gamble	88⅛	82
Pub. Serv. Elect.	18¾	19
Pullman	33¾	33¼
Purex	16⅜	16⅜
Quaker Oats	24⅛	24¼
Rapid American	6	6
Raytheon	51⅛	51⅛
RCA	25⅝	25
Reading	1	1
Republic Steel	34⅛	34½
Revlon	76¼	76⅛
Reynolds Metals	37	37¼
Reynolds R. J.	59⅞	60
Rich'son Merrell	24	24⅜
Rockwell Inter.	30⅛	30⅜
Rohm & Haas	66	67¼
Royal Dutch	47¾	47⅜
Russ Togs	12⅛	12⅝
Safeway Stores	40¼	40⅜
St. Joe Minerals	43⅜	45
St. Regis Paper	42⅛	43
Santa Fe Inds.	36	36¼
Saul Invest.	5⅛	5⅜
Saxon Inds.	6	5⅞
Schlitz Brewing	20¼	20⅜
Schlumberger	76⅛	76⅛
SCM	16⅛	16⅜
Scott Paper	22	21⅝
Scovill Mfg.	16⅛	16⅞
Scudd'r Duo Vest	6⅜	6⅝
Sea Containers	18⅜	18⅜
Seagram	26¼	26⅛
Searle (G.D.)	14⅝	14¾
Sears Roebuck	69⅛	70⅛
SEDCO	32	31⅞
Shell Oil	56⅝	57⅞
Shell Transport	41¾	41⅝
Signal	20⅛	20¼
Signode Corp	39⅜	39¼
Simplicity Pat.	15⅛	15⅛
Singer	19⅝	19⅛
Solitron	3¼	3⅝
Southdown	9⅞	9⅞
Southern Cal. Ed.	19⅜	19⅛
Southern Co.	14⅞	14¾
Sthn. Nat. Res.	51¾	51¼
Southern Pacific	35⅛	35⅞
Southern Railway	60	60⅜
Southland	22⅛	22¼
Sperry Hutch	14¾	15
Sperry Rand	47⅝	47¾
Standard Brands	36¼	36⅝
Std. Oil California	36¾	36⅛
Std. Oil Indiana	49	48⅛
Std. Oil Ohio	71⅞	70⅛
Stauff Chemical	95	95⅞
Sterling Drug	16⅞	16¾
Studebaker	44¾	44⅜
Sun Oil	31¼	31⅝
Sundstrand	30	31¼
Syntex	27¼	27⅜
Tandy	37¼	38⅛
Technicolor	5⅛	5¼
Tektronix	57	57¾
Teledyne	55⅞	55
Telex	3½	3½
Tenneco	27¾	27¾
Tesoro Petroleum	14⅞	14⅜
Texaco	27⅛	27⅞
Texasgulf	35⅜	35⅜
Texas Instm.	115⅛	116⅞
Texas Oil & Gas	17⅛	16⅞
Texas Utilities	18⅛	18⅛
Time	63¼	63¾
Times Mirror	20	20
Timken	46⅛	46⅛
Trane	27⅜	28
Transamerica	11⅛	11⅛
Trans Union	30¼	31
Transway Int'nl	22¾	22⅞
Trans World Air.	11⅛	11⅝
Travelers	29⅛	29¼
Tri Continental	20	20
T.R.W.	33¾	33⅝
20th Century Fox	12⅛	10⅝
UAL	23⅞	24
UARCO	23	23⅛
UGI	15⅛	15⅜
UOP	11⅛	11¼
Unilever Ltd.	35⅛	34⅞
Unilever NV	47¼	47⅜
Union Bancorp	9	9
Union Carbide	69⅛	70⅝
Union Commerce	6⅛	6¼
Union Oil Cal.	45⅜	45⅞
Union Pacific	85⅞	86¼
Uniamerica	2	2
UNIROYAL	8⅛	8⅞
United Brands	9⅛	9
United Corp.	8⅞	8⅜
US Bancorp	26	25½
US Gypsum	23¼	23⅝
US Industries	6	6¼
US Shoe	32⅝	32⅛
US Steel	81⅛	81⅞
U. Technologies	57	56⅜
USM	29½	29½
Utah Int'l	55	54⅜
UV Industries	29⅜	29⅝
Virginia Elect.	13⅛	13⅜
Walgreen	16⅛	16⅛
Warner Commun.	22¼	22⅜
Warner Lambert	32⅜	33⅛
Wells-Fargo	21⅛	21⅜
Western Bancorp	22¼	21⅞
Western N.Amer.	12¼	12⅜
Western Union	18	18⅛
Westingh's Elec.	15⅝	15⅝
Westvaco	41⅝	42
Weyerhaeuser	47⅛	47⅛
Whirlpool	28⅛	28¾
White Cons. Inds	22⅝	23⅛
Williams Co.	22⅜	22⅞
Wisconsin Elect.	26¼	26¼
Woolworth	21⅛	22⅜
Wyly	4⅛	4¼
Xerox	49⅜	51⅜
Zapata	13⅛	13⅜
Zenith Radio	33¼	34⅛
Chile 6% 1993	†90	†90
U.S. Treas. 4% 1980	†90⅝	†90⅛
U.S. Treas. 4¾% 75/85	†82⅛	†82⅜
U.S. 90 day bills	4.85%	4.85%

CANADA

Stock	May 5	May 4
Abbey Glen Prop.	5.70	5.60
Abitibi Paper	12⅛	12⅛
Agnico Eagle	4.30	4.30
Alcan Aluminium	28	28⅛
Algoma Steel	25¾	25⅞
Asbestos	29¼	29¾
Bank Montreal	15¼	15⅜
Bank Nova Scotia	40⅜	40
Basic Resources	†9⅝	10¼
Bell Telephone	†46⅜	46¼
Bovis	0.92	0.91
Bow Valley Inds.	24	24¼
BP Canada	9¾	9⅜
Brascan	11⅛	11⅛
Brinco	†3.80	†3.80
Calgary Power	26⅞	26¾
Canada Cement	10¾	10¾
Canada N.W. Land	8¼	8⅝
Can. Imp. Bk. Com	27¼	27
Canada Indus.	22	21
Can. Pacific	17⅛	17⅛
Can. Pacific Inv.	19⅝	19⅝
Can. Super Oil	43¼	42⅞
Carling O'Keefe	3.45	3.50
Cassiar Asbestos	6⅝	6⅞
Chieftain Dev.	10¼	10½
Cominco	38⅞	38⅝
Cons. Bathurst	37½	37
Con. Textile M.	2.50	2.45
Consumer Gas	12⅛	12⅜
Costain Rich	9⅛	9¼
Deeca Resources	6.00	6.12
Denison Mines	56⅞	56¾
Dome Mines	42	43¼
Dome Petroleum	36½	36½
Dominion Bridge	36⅛	37
Domtar	25	26
Dupont	†18¼	18¼
Falcon'ge Nickel	41	41¼
Ford Motor Can.	87⅛	†87
Giant Yell'wknife	6½	7
Gulf Oil Canada	32⅝	31⅞
Hawker Sid. Can.	6¾	7
Hollinger	†35	35½
Home Oil 'A'	33⅛	33⅛
Hudson Bay Mng	20⅝	20¼
Hudson Bay	19⅝	19½
Hudson Oil & Gas	38	38
I.A.C.	18⅝	18½
Imasco	25⅛	25¼
Imperial Oil	22⅞	23
Indal	†14¼	14½
Inland Nat. Gas	9⅛	9¼
Inco	32⅞	32¾
Int'pr'v Pipe Line	15	15
Laur'n Fin. Corp	6⅛	6⅜
Loblaw Com. 'B'	†4.70	4.70
Mcmill'n Bloedl	21	21½
Massey Ferguson	26⅛	26¼
McIntyre Porcupine	42	†41½
Moore Corpn.	47	47½
Noranda Mines	37¾	37⅛
Norcen Energy	13	13½
Nthn. [illegible]	†0.50	a0.50
Nthn. Telecom	38⅞	38
Numac Oil & Gas	10⅛	10½
Oakwood Petr'lm	1.64	1.70
Pacific Copper M.	1.15	1.16
Pacific Petroleum	30	30
Page Petroleum	1.80	1.80
Pan. Can. Pet'l'm	24⅝	24
Patino	14⅛	14½
Peoples Dept. S.	3.00	†3.10
Place Gas & Oil	0.37½	0.34
Placer Development	23⅜	23¾
Power Corporat'n	9½	9¼
Price	16	16
Quebec Sturgeon	1.25	1.25
Ranger Oil	17	16⅝
Reed Shaw	6⅜	†6½
Rio Algom	33⅜	34
Royal Bk. of Can.	28⅞	28⅝
Royal Trust	†29½	29
Seagrams	25⅝	26
Shell Canada	15⅞	15⅞
Sherritt G. Mines	6½	6⅝
Siebens O. G.	14⅛	13¾
Simpson	6⅛	6⅜
Steel of Canada	29¾	29⅞
Steep Rock Iron	1.90	†1.90
Sunningdale Oils	Unq.	Unq.
Talcorp	7⅞	7⅞
Texaco Canada	26⅜	26
Toronto Dom. Bk.	16⅞	18¾
TransCan PipeLn	11⅛	11⅛
Trans Mount Oil	12	11⅞
Trizec	15¼	†15⅜
Union Gas	7⅞	8
United Corpn 'B'	13	13
Walker Hiram	30	29¼
West Coast Trans	24	24
Western Geo.	17⅝	17⅝

a Asked. * Assented. † Bid. ‡ Traded. ¤ New stock.

GERMANY ◆

May 6	Price Dm.	+ or −	Div. %	Yld. %
A.E.G.	92.5	−3.2	—	—
Allianz Versich.	405	−8	31.2	3.9
B.M.W.	[illegible]	−3.8	14	2.5
BASF	159.5	−2.3	14	4.5
Bayer	138.8	−5.2	17	5.7
Bayer Hypo	283	−1	20	3.6
Bayer Vereinsbk.	285.5	−5.5	20	3.3
Commerzbank	196.8	−3.2	16	4.6
Contl. Gummi	98.5	−2.5	—	—
Daimler	344	−5.5	15	2.2
Degussa	247xd	−5.5	15	3.7
Demag	175	−5	—	—
Deutsche Bank	304xr	−5	20	3.4
Dresdner Bank	223	−5.5	20	4.4
Dyckerhoff Zem't	155	.....	10	3.1
Gutehoffnung	185	−3	14	3.8
Hapag Lloyd	127	−1	12	4.8
Harpener (Dm100)	162	−3	8	5.6
Hoechst	158.4	−2.8	14	4.5
Hoesch	50.5	−2.2	10	8.0
Kali Salz (Dm50)	109	−3	—	—
Karstadt	405	−8	20	2.4
Kaufhof	252	−4	20	3.9
Klockner (Dm100)	124.5	−5	—	—
Klock Humbolt	165.3	−3.7	6	2.0
Krupp Pref Dm100	141	+2	—	—
Kundenkredit Bk	280	—	18	3.2
Linde	197	−5	16	4.0
Lowenbrau DM100	1,760	—	20	1.3
Lufthansa	86.8	−1	4	2.0
M.A.N.	166	−4	12	3.6
M'esmann Dm100	363	−5.5	16	4.4
Metallgesellsch.	259	−5	10	4.1
Munch. Ruckvers	460	—	18	2.2
Neckermann	94	−0.7	—	—
Preussag Dm. 100	156	−2.2	7	4.4
Rhein West Elect.	165	−1.2	17	5.2
Schering	257	−5	20	3.1
Siemens	284.5	−3.9	16	2.6
Sudzucker	253	−2	19	3.7
Thyssen	124xd	−3	14	5.6
Verein & West Bk	317	−1	20	3.2

PARIS

May 6	Price Frs.	+ or −	Div. Frs.	Yld. %
Air Liquide	367	−1	16.5	4.5
Aquitaine	339	—	22.5	6.7
Beghin	91	+0.9	11.05	11.4
B.S.N. Gervais	616	−8	37.8	6.2
Carrefour	1,995	+20	57	2.7
Chargeurs Reunis	181.1	−2.9	15	8.2
Citroen	54	−0.6	—	—
Cie Bancaire	301	+5	12	4.1
C.G.E.	317	−3	25.9	7.5
CreditCom Fr'nce	106xd	−1.5	10.5	9.8
Credit Foncier	331	—	27	8.2
Denain N. E.	147.1	+0.2	18.75	12.8
Fr. Petroles	125	+0.1	14.1	11.5
Gal. Lafayette	78	—	7.5	5.8
Gen. Occidentale	180.5	−0.5	7.5	3.5
Imetal	113.8	−0.1	4.35	3.9
Lafarge	205.1	+1.6	15.75	7.7
L'Oreal	958	+3	13.5	1.4
Machines Bull	37.2	—	1.5	4.0
Michelin "B"	1,300	−15	27.75	2.1
Moet Hennessey	517	−7	10.8	2.1
Paribas	177.5	+0.1	18.5	9.4
Pechiney	107	—	14.1	—
Peugeot (Frs. 70)	292xd	−2.9	15	4.7
Pricel	150	−11.5	12	8.0
Printemps	56	−2	3	5.3
Redoute	642	−5	18	2.7
Rhone Poulenc	96.2	−0.6	9	—
Sacilor S.A.	68	+0.7	12	17.6
Source Perrier	116.6	−4.3	6	5.2
Suez	257	+1	22.5	[illegible]
Thomson Brandt	220.2	−2.8	14.25	5.8
Usinor	74.4	−1.1	—	—

AMSTERDAM

May 6	Price Fls.	+ or −	Div. %	Yld. %
Ahold (Fl.20)	111.5xd	—	18	3.2
Akzo (Fl.20)	42.5	+0.1	—	—
Algem Bnk (Fl.100)	319xd	−2.5	21	6.9
AMEV (Fl.10)	61.8	−0.8	30	9.8
Amro Bank (Fl.20)	72	−0.4	21	5.6
Van Berkel's (Fl.50)	106	−5.5	15	6.9
Bijenkorf (Fl.20)	76.1xd	+0.4	21	5.6
Boka Westm. (Fl.10)	107	−2.5	55	4.9
Buhrm-Tetterode	73	−0.8	25	6.3
Elsevier (Fl.20)	326xd	−8	24	1.4
Ennia N.V. Bearer	120.5	−3.3	27½	2.1
EuroComm Tst Fl.10	69	—	30.4	4.5
Gist Brocades Fl.40	62.5	−2	23	3.6
Heineken (Fl.25)	146	—	14	2.4
Holland Fund	134.2	−1.8	6.96	5.0
Hoogovens (Fl.20)	55.5	−1.7	26	6.8
Hunter Douglas Fl.5	31.5	−0.5	11	5.1
I.H.C. Holland	23.8	−0.7	5	2.2
K.L.M. (Fl.100)	108.5	−2.1	—	—
Int. Muller (Fl.20)	36	−1.1	10	5.4
Naarden (Fl.20)	46	−1	—	—
Nat. Ned. Ins. (Fl.10)	94.4	—	35.2	3.6
Ned Cred Bk (Fl.20)	46xd	−0.6	16	6.8
Ned Mid Bk (Fl.50)	144.8	−0.7	15	5.2
Neto (Fl.20)	71.3xd	−0.3	10.6	7.3
Nijverdal T. Cate	45	−0.5	—	—
OCE (Fl.20)	166xd	−1	28	3.1
Van Ommeren	236.0	−3	20	3.9
Pakhoed (Fl.20)	128xd	−2	20	8.4
Philips (Fl.10)	30.8xd	−1	14	4.6
Rijn Sch Ver Fl.100	120.1	−1.9	18	14
Robeco (Fl.50)	192.8xd	−1	26.2	5.5
Rolinco (Fl.50)	144.5	−1.1	—	1.7
Rorento (Fl.50)	127.7	+3.1	10	4.1
Royal Dutch (Fl.20)	127.7	+0.6	43½	6.8
Slavenburg's Bnk	334xd	−2	17	5.1
Tokyo Pac Hlg $1	FL.98.7	+0.2	$0.3	1.4
Unilever (Fl.20)	125.9	−0.9	38½	4.9
VMF	165xd	−2	14	8.3
Viking Res. Int. $1	33.6		$0.18	4.6

MILAN

May 6	Price Lire	+ or −	Div. Lire	Yld. %
Alitalia Priv.	800	+10	—	—
ANIC	620	+5	60	—
Ausonia Fin.	4,785	....	120	3.4
Bastogi	921	+16	70	7.7
Breda	1,680	+20	165	8.9
Burgo	9,110	−90	200	2.2
Centrale	5,550	+105	200	3.6
CIGA	2,350	−240	—	—
Cucirini	4,050	....	250	6.2
Dalmine	571	+1	50	0.8
Erba	2,350	−250	—	—
Fiat	1,421	−24	100	6.5
Do. Priv.	925	+12	100	0.9
Finsider	238.6	−6.75	40	16.7
Generali	44,900	−100	300	11.5
Invest B.	1,897	−55	80	4.5
Italcementi	18,870	−180	360	1.9
Italgas	456	−4	—	—
Italsider	529.75	+9.75	60	1.8
La Centrale	7,225	−26	350	5.7
Marelli Ercole	597.5	+1.5	—	1.9
Mediobanca	69,000	−300	1,200	1.4
Mondadori Priv.	1,060	+10	120	11.5
Montedison	429.5	−5	33	7.8
Motta	660	....	—	—
Olivetti Priv.	901	−4	70	8.0
Pirelli & C.	1,432	−13	110	8.0
Pirelli Spa	864	−6	60	13.5
RAS	75,700	....	600	0.8
Rinascenti	87.7	−0.3	—	—
Rumianca	1,950	−62	—	—
S.A.F.F.A.	6,300	....	200	3.7
S.T.E.T.	1,389	+42	160	1.1
Snia Viscosa	1,384	+9	72	5.4
Soc. Gen. Immob.	171	....	—	—

BRUSSELS/LUXEMBOURG

May 6	Price Frs.	+ or −	Div. Frs. Net	Yld
Arbed	4,195xd	....	390	—
BBL Bq Brx Lamb	1,685	+10	—	—
Bekaert "B"	2,020	+10	105	5.2
CBL (Cie Br Lamb)	2,200	....	110	5.1
C.B.R. Cement	1,680	−5	75	9.5
Cockerill	570	−30	—	—
E.B.E.S.	2,010xd	−180	161	7.6
Electrobel	5,800	+50	400	6.9
Fabrique Nat.	1,980	....	—	—
G.B. Inno-Bm.	1,730	−60	130	7.5
Glace St. Roch.	4,010	+10	180	4.5
Hoboken	3,875	−25	110	2.7
Intercom	1,665	−5	129	7.8
Kredietbank	6,510	−10	245	3.8
La Royale Belge	5,050	−50	285	5.2
Pan-Holding	2,980	....	$2.0	2.5
Petrofina	5,400	+30	170	3.1
Photo Gevaert	1,176xd	....	75	6.5
Pieux Franki	5,310	....	275	4.7
Soc. Generale	4,540	+15	175	7.0
Soc. Gen. Banque	2,570	−55	175	6.7
Sofina	3,085	−215	195	6.1
Solvay 'A'	2,540	+50	185	7.6
Traction Elec.	2,860	+30	150	5.8
U.C.B.	2,300	....	175	7.1
Un. Min. (1/10th)	1,248	−2	70	7.7
Vieille Montagne	4,130	+25	360	8.6
Wagon Lits	692	−16	20	5.0

SWITZERLAND◆

May 6	Price Frs.	+ or −	Div. %	Yld. %
Aluminium	1,210xd	+10	6	2.5
Bally Hld.	1,170	+120	—	—
BBC 'A'	1,035	−5	10	3.0
Ciba-Geigy	1,575	−10	22	1.4
Do. Do. Part.	1,135	−8	22	1.9
Do. Do. Reg.	674	−3	22	3.3
Credit Suisse	2,610	—	16	3.0
Fischer (George)	680	....	—	—
G'nl. Mag. Jel. Fl.	1,140xd	+10	19	1.7
Hoffman LaRoche	95,750	−500	1100	1.2
Interfood B.	2,575	−25	20	4.0
Landis & Gyr (F200)	665xd	−25	6	2.0
Nestle	3,450	−5	76.2	2.4
Do. Reg.	1,790	−30	76.5	4.2
Sandoz (F250)	5,325	+50	26	1.4
Saurer Arbon	910	+5	11	5.8
Swi. Inte. Pirelli	158	—	14	8.7
Swissair (F350)	528xd	−22	5.7	4.8
Swiss Bank Corp.	422xd	−2	10	2.0
Un. Bank Switz.	3,135	−5	20	3.1
Winterthur	1,800	−40	30	1.7
Zurich Ins.	9,600	+50	40	2.0

COPENHAGEN

May 6	Price Kroner	+ or −	Div. %	Yld. %
Burmeister & W.	70	−1	—	—
Dan Bank	145½xr	+5	12	7.2
Dan Provinsbank	151	—	12	4.2
East Asiatic Co.	308xd	−½	12	4.0
Finansbanken	141xd	—	13	8.1
For. Bryggerier	400	—	12	3.1
Handelsbank Cop	145½xd	—	11	7.4
Papirfabrik For	88xd	—	10	11.3
G. Northern Hld.	252	−2½	12	4.2
Nord Kabel	285½xd	+1½	12	4.2
Olieabrik	151½	+3	12	7.7
Privatbank	156½	—	11	6.4
Soph. Berendsen	370	−1	11	3.0
Superfos	251½	+1½	12	4.8

VIENNA

May 6	Price %	+ or −	Div. %	Yld. %
Creditanstalt	395xd	—	10	2.4
Perlmooser	340	—	12	3.4
Selecta	735	−1	48	6.5
Semperit	190	−8	—	—
Steyr Daimler	146	−1	6	4.1
Veit Magnesit	415	+2	22	3.1

AUSTRALIA

May 6	Aus. $	+ or −
Acrow Australia	†0.70	......
Adelaide Brighton Cem 50c	†1.12	−0.01
Allied Mnfg-Trdg. Inds $1	†1.67	+0.02
Ampol Exploration	†0.82	+0.02
Ampol Petroleum	†0.67	......
Assoc. Minerals	†5.16	......
Assoc. Pulp Paper $1	†0.90	......
Aust. Con. Industries	†1.35	......
Aust. Foundation Invest.	†0.80	−0.08
A.N.I.	†1.09	+0.04
Aust. Oil & Gas	†0.11	+0.01
Blue Metal Ind.	†1.07	+0.01
Bougainville Copper	†1.43	+0.02
Broken Hill Proprietary	†7.48	+0.10
BH. South	†1.90	+0.02
Carlton United Brewery	†2.18	+0.03
G. J. Coles	†1.41	+0.01
CSR ($1)	†4.30	+0.05
Cons. Goldfields Aust.	†2.30	......
Container ($1)	†1.65	......
Conzinc Riotinto	†2.98	+0.08
Costain Australia (25c)	†1.70	......
Dunlop Rubber ($1)	†1.08	+0.03
ESCOR	†0.84	+0.02
Elder Smith ($1)	†2.10	......
E.Z. Industries	†3.85	+0.05
F. & T. (25c)	†0.80	+0.02
Gen. Property Trust	†1.14	......
Gollin	†0.11	......
Hamersley	†2.0	......
Hooker	†1.15	......
I.C.I. Australia	†1.72	......
I.A.C. Holdings	†1.00	−0.01
Inter-Copper	†0.30	......
Jennings Industries	†1.60	......
Jones (David)	†1.05	+0.03
Metals Exploration	†0.51	−0.01
MIM Holdings	†2.65	+0.01
Myer Emporium	†2.16	+0.01
News	†1.90	......
Nicholas International	†0.63	−0.01
North Broken Hill	†1.74	−0.01
Oakbridge	†0.76	......
Oil Search	†0.12	......
Pioneer Concrete	†1.14	+0.04
Reckitt & Colman	†3.30	......
H. C. Sleigh	†0.80	......
Southland Mining	†0.34	−0.01
Stocks & Holdings	†3.55	......
Tooth ($1)	†1.70	......
Waltons	†1.05	−0.02
Western Mining (50 cents)	†1.64	......
Woolworths	†1.25	+0.01

TOKYO¶

May 6	*Prices Yen	+ or −	Div. %	Yld. %
Asahi Glass	326	−4	14	2.1
Canon	446	−17	—	—
Dai Nippon Print	490	−7	18	1.8
Fuji Photo Film	510	−15	15	1.5
Hitachi	198	−1	10	2.5
Honda Motors	730	−1	18	1.2
C. Itoh	305	—	12	2.0
Ito-Yokado	1,850	+50	30	0.8
Japan Airlines	1,740	−20	—	—
Kansai Elect. Pw.	700	+6	9	6.4
Komatsu	403	−7	18	2.2
Kubota	328	−1	15	2.3
Matsushita Ind.	627	−5	20	1.5
Mitsubishi Bank	335	−9	10	1.5
Mitsubishi Heavy	154	—	12	3.9
Mitsubishi Corp.	440	—	13	1.5
Mitsui & Co.	425	−2	14	1.6
Mitsukoshi	446	−8	20	2.2
Nissan Motor	486	−5	16	1.6
Pioneer El'tronic	3,120	−90	30	0.5
Sanyo Electric	226	−3	12	2.7
Shiseido	1,140	−40	25	1.1
Sony	2,700	+70	30	0.6
Taisho Marine	268	−7	11	2.0
Takeda Chemical	245	−13	15	3.1
Teijin	161	−2	12	3.7
Tokio Marine	540	−5	11	1.0
Tokyo Elect. Pwr.	700	+2	10	7.1
Toshiba	135	−1	10	3.7
Toray	152	−1	12	3.9
Toyota Motor	710	−10	16	1.1

Source Nikko Securities Tokyo.

STOCKHOLM

May 6	Price Kroner	+ or −	Div. Kr.	Yld. %
Aga AB (Kr.50)	179xd	+3	5.5	3.1
Alfa Laval B (Kr.50)	160xd	+5	5	3.1
Asea (Kr.50)	148	−1	6½	3.3
Atlas Copco (Kr.25)	180	+1	5.28	3.0
Billerud	231	−4	8½	3.7
Bofors	265	−3	10	3.6
Cardo	352	−1	9.5	2.8
Cellulosa	321	—	9.5	3.4
Electrolux 'B'	159	+1	5	3.3
Ericsson B (Kr50)	213	—	7¼	3.4
Fagersta	240	—	8	3.3
Granges (free)	159	+1	11	7.9
Handelsbanken	248xd	−1	16	5.6
Marabou	210xd	—	10	4.8
Mo Och Domsjo	260xd	−5	10	3.6
Sandvik A.B.	336	−5	7	2.8
S.K.F. 'B' Kr 50	145	+2	4.5	4.0
Skand Enskilda	224xd	—	15	6.4
Tandstik 'B' (K50)	106	−3	5	4.7
Uddeholm	182	−7	9	4.5
Volvo Kr50	149xr	−4	6	4.1

OSLO♣

May 6	Price Kroner	+ or −	Div. %	Yld. %
Bergen Bank	104	—	9	8.5
Borregaard	112xd	+2	10	8.8
Creditbank	112xr	+1	10	8.8
Kosmos	615	−5	20	3.8
Kreditkassen	111.5	+1	10	9.1
Norsk Hydro Kr50	256.5	−1	12	2.7
Orkla Ind.	96	+1	4	4.2
Storebrand	145	−2	10	7.1

JOHANNESBURG

MINES

May 6	Rand
Anglo American Corpn.	4.60
Charter Consolidated	3.30
East Driefontein	11.50
Elsburg	1.87
Harmony	5.60
Kinross	4.85
Kloof	7.50
Potgietersrust Platinum	2.70
Southvaal	7.50
Gold Fields SA	24.90
Union Corporation	3.15
De Beers Deferred	3.55
Blyvooruitzicht	7.60
East Rand Pty.	4.15
Free State Geduld	†21.30
President Brand	19.00
President Steyn	11.30
Stilfontein	2.55
Welkom	†4.35
West Driefontein	34.50
Western Holdings	†27.00
Western Deep	†13.00

INDUSTRIALS

	Rand
African Explos. and Chem.	2.86
Anglo-Alpha Cement	9.45
Anglo-Amer. Industrial	13.80
Anglo-Transvaal Industries	†1.65
Associated Furniture	1.60
Barlow Rand	3.15
CNA Investments	2.15
Currie Finance	0.54
De Beers Industrial	8.60
Edgars Consolidated Inv.	2.40
Edgars Stores	30.00
Ever Ready SA	†1.60
Federale Volksbeleggings	2.30
Glen Anil Development	1.60
Greatermans Stores	4.00
Guardian Assurance (SA)	1.50
Huletts	2.30
Nedsual	2.20
OK Bazaars	3.63
Ovenstone Investments	0.50
Premier Milling	†6.45
Pretoria Cement	2.65
Protea Holdings	1.15
Rand Mines Properties	2.13
Rembrandt Group	3.70
Sage Holdings	1.45
SAPPI	1.50
Sorec	0.35
SA Breweries	1.50
Tiger Oats and Natl. Mlg.	†8.50
Unisec	0.97

SPAIN ♥

May 6	Per cent.
Asland	244
Banco Lopez Quesada	736
Banco Bilbao	320
Banco Atlantico (1,000)	565
Banco Central	312
Banesto (250)	392
Banco Exterior	305
Banco General	285
Banco Granada (1,000)	304
Banco Hispano	349
Banco Iberico	436
Induban	467
Banco Ind. Cat. (1,000)	458
Banco Mercantil (1,000)	281
Banco Occidental	480
Banco Popular	795
Banco Santander (250)	395
Banco Urquijo (1,000)	679
Banco Vizcaya	678
Banco Zaragozano	332
Bankunion	375
Banus Andalucia	290
Altos Hornos	170.50
Babcock Wilcox	126
CIC	395
Dragados	702.50
Inmobanf	130
E. I. Aragonesas	138
Espanola Zinc	230
Expl. Rio Tinto	338
Fecsa (1,000)	128
Fenosa (1,000)	114.75
Finanzauto SA	308
Finanzauto Servicios	375
Gal. Preciados	375
Grupo Velazquez (400)	340
Hidrola	144.75
Iberduero	178
Motor Iberica	275
Olarra	442
Papeleras Reunidas	330
Petroliber	255
Petroleos	478
Sarrio Papalera	237
Sniace	99
Sogefisa	266
Telefonica	170
Torras Hostench	400.50
Tubacex	399.50
Union Elec.	135
Union y Fenix	515
Urbis	223

NOTES: Overseas prices exclude $ premium. Belgian dividends are after withholding tax.

◆ DM50 denom. unless otherwise stated. ♣ Kr.100 denom. unless otherwise stated. ♥ Ptas.500 denom. unless otherwise stated. ⊕ Frs.500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. § Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs. Including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. ∆ Interim since increased.

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ARMING AND RAW MATERIALS

acific xchange o liquidate

SAN FRANCISCO, May 6.

PACIFIC Commodities ange, in light of the "con- ng deterioration in trading ne," has decided to liqui-

e exchange's directors said from to-day, trading in res contracts would be per- ed for liquidation only until close of business on May 10. the exchange would deter- final settlement price. open futures contracts on date would be liquidated by Exchange at that price.

ey said the trading me had deteriorated to a where orderly trading was longer possible. They had ded, therefore, to suspend ing and would make an im- iate request to the Com- ity Futures Trading mission that the Exchange's ract designations be allowed main, to enable the exchange onsider plans for reorganiza-

e directors said they would inue to explore alternatives reorganization of the ange.

February, the Trading Com- sion warned the Exchange it must overcome its finan- problems or face possible ing. The Commission essed concern that recent nomy moves by the exchange have weakened enforcement Exchange rules and left stors vulnerable. The ange has sold futures con- ts for palm oil, coconut oil cattle.

Dow Jones

ecord Indian rain output n 1975-76

NEW DELHI, May 6.

DIA'S FOODGRAIN produc- n in the agricultural year end- this month would be a record 116m. tons, Food Minister, Mr. jivan Ram, told Parliament. This would be 8m. tons more n the last bumper harvest of '1. Three years of consecutive ought since then had reduced dgrain production to less than 0m. tons.

Mr. Ram said: "This year's od production target of 140m. ns will be exceeded. According even very conservative timates, we feel the production ill be 116m. tons."

The expected record output uld not all be attributed to a od monsoon. Farmers and ricultural scientists had con- buted to "this year's spec- ular results."

'I

London coffee prices soar to new records

BY RICHARD MOONEY

COFFEE PRICES yesterday continued this week's spectacular recovery, despite an almost total lack of new fundamental factors. The July position climbed to a record of £1,439 a tonne at one stage before falling back to close £45 higher on balance, at £1,418 a tonne.

Market sources said there was a significant amount of trade business, and the slight fall in sterling could have had a marginal effect on prices. But they agreed that the price rise was mainly due to speculative buying—largely inspired by chartists—the later fall being generally attributed to profit-taking.

Most dealers dismissed reports of growing supply difficulties as "old news." Many admitted, however, that tightness of the situation was largely responsible for the market's nervous state, which has made recent dramatic rises possible.

Some traders said the situation—basically due to the Brazilian frost disaster and widespread supply difficulties in Africa—was aggravated by withholding of Central American coffee from the market.

This policy was the direct result of quota arrangements in the new International Coffee Agreement, due to take effect on October 1, according to one dealer. He said the new arrangements took no notice of 1975-76 exports in setting export quotas, but did pay regard to stock levels. It was in producers' interests therefore to build up stocks at the expense of exports.

A report that heavy rains in central Colombia were threatening to delay coffee shipments was not thought to have affected the market significantly. The rain could delay harvesting, drying and transporting of coffee from the plantations, but it does not threaten actual production—estimated at 8.5m. bags (60 kilos each) in 1975/76.

Prices on the London cocoa terminal market also continued to rise yesterday, but late selling trimmed most of the gains in nearby positions.

Enthusiastic trade buying pushed nearby positions higher in the morning and the £20 permissible limit was reached during mid-afternoon. After the mandatory 30 minute break in dealing, chartist buying pushed prices still higher, July cocoa reaching £1,055 a tonne at one time.

But nearby prices then tumbled £17 before attracting further trade buying, and the July position closed only £7.25 up on the day, at £1,043 a tonne. The more distant positions fared better, and did not take part in the post-break decline to the same extent as nearby prices.

Though speculative buying was the main reason given for the rise, some market sources said sentiment was influenced by the depleted availability of west African resale current crop cocoa. Among the producers, only the Ivory Coast appeared to have cocoa available for shipment during June, July and August.

Reuter reports from Nairobi that U.S. Secretary of State, Dr. Henry Kissinger, has told the UNCTAD conference that the U.S. is ready to re-negotiate the International Cocoa Agreement if other parties are interested.

He said cocoa was well suited to a buffer stock arrangement, but added that he believed the pact, negotiated a few months ago, was unlikely to improve the functioning of the cocoa market. (The U.S. refused to sign the agreement on the grounds that it was based on exports, rather than sales quotas.)

French sugar surplus estimated

BY JOHN EDWARDS, COMMODITIES EDITOR

VERSAILLES, May 6.

FRANCE WAS likely to have a surplus of 2m. tonnes of sugar available for export in the forthcoming (1976-77) season, M. Jean-Paul Lafuge, general manager of French sugar dealers, G. Debayser, forecast here to-day.

Speaking at a symposium on "Sugar in the EEC" organised by the U.K. company, Sugar Traders, he predicted that the French beet crop in 1976 would rise to around 3.5m. tonnes, compared with the 1975 out-turn of just under 3m.

Beet plantings in France this year are only marginally higher, but a substantial increase in production is expected, even if yields of beet and sugar content are only average. Last year's yields were "disastrously" low.

French domestic demand is estimated at some 2m. tonnes, leaving 1.5m. from the forthcoming crop and 500,000 carried over from 1975-76 available for export in 1976-77. Purchases by the U.K. and Italy are expected to be well below the abnormally high levels of 1975.

M. Lafuge said Italian demand was likely to be reduced to 100,000 tonnes as a result of increased domestic production. He forecast U.K. demand at between 200,000 to 400,000 tonnes, depending on the outcome of the British Sugar Corporation's drive to boost output to 1m. tonnes.

M. Lafuge was sceptical about the U.K. beet crop reaching the target level, particularly since the low water level over the past two years meant that it would be especially vulnerable to drought this year.

In any event, he was hopeful of increased sales to Britain in the long term, with the likelihood of diminishing supplies of cane sugar that would be attracted to other markets.

M. Lafuge was confident that the expected surplus of French beet production this year would not result in an EEC sugar "mountain." The EEC was the principal supplier of white sugar to world markets and faced reduced competition at present from other major white sugar suppliers such as India and Brazil.

Surplus supplies in eastern Europe were being taken up by the Soviet Union which would probably have to buy a further 100,000 or 200,000 tonnes on the world market this season, providing it could provide adequate transport and port facilities.

British delegates here, including representatives of major consumer groups, did not share M. Lafuge's pessimism about the forthcoming U.K. crop. They pointed out that the target of record plantings had been achieved in almost ideal conditions and the crop had generally germinated well.

Virus yellow attacks were also reported to be at a low level. But it was admitted that drought posed a serious threat in some areas.

On imports of cane sugar, it is understood that agreement between the EEC and the African Caribbean and Pacific countries is not as distant as reports of a breakdown in the Brussels talks last week might have suggested.

It is believed the EEC had made important concessions on both the intervention price to be used as a base and the proposed storage levies.

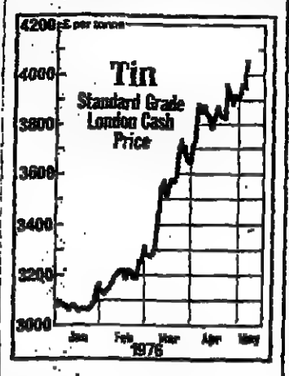
Tin prices reach new peaks

By Our Commodities Staff

TIN PRICES soared to record levels on the London Metal Exchange yesterday, influenced by strong demand, particularly for three months metal.

With the International Tin Council deliberating for the second day on possible changes in the fifth International Tin Agreement (ITA)—due to come into force from July 1—a lot of the activity was attributed to increased demand for forward metal before any changes are announced. A Council statement is expected to-day.

Despite sales, believed to be on behalf of the ITA's buffer stock manager, the price of three month standard tin in London reached a record of £4,200 before closing at £4,172.5 a tonne, up £111 on the day.



Standard cash tin rose by £110 on the day, to close at £4,057.5 a tonne, a new peak for the year, but below the £4,245 record set in September 1974.

The buffer stock manager was also thought to have sold a large quantity of tin in Penang, where the price of $M1,101 a picul was still $M1 above the "must sell" ceiling in the price range of the current ITA—a range which some countries, in particular Bolivia, are pressing to be raised.

Cash zinc closed £12 up, at £437 a tonne, partly due to a forecast by the Commodities Research Unit in London that zinc capacity will be insufficient to meet demand by early 1978 and that there will be a severe zinc shortage after world stocks (about 750,000 tonnes last January) are depleted.

MALTING BARLEY

Scots rule when growing for Scotch

BY A CORRESPONDENT

THE SCOTCH Whisky industry is presently in the doldrums. Production of Scotch in 1975 was some 16-18 per cent. down from the peak of approximately 188m. gallons, reached in 1974, and it seems likely that no significant recovery in output will occur in 1976.

While this fall in production may herald a scarcity of aged Scotch in the 1980's, it does not necessarily infer a shortage of whisky at that time, nor a serious drop in the demand for malting barley from Scottish farmers, who sell about 30 per cent. of their total barley crop on this market.

At the end of 1974, the world recession caused a heavy drop in demand for Scotch, especially in the U.S., where distributors adopted the strategy of destocking to avoid getting into cash flow problems as consumption fell with real incomes. In this way they passed back the cash problems to the producers.

Rising costs

Obviously the cash requirements of whisky production are enormous. As well as the basic production costs, the average storage of 5-6 years before sale means the maintenance of massive stocks. The Inland Revenue must be paid as the whisky is taken from the store, which means that approximately £100m. in taxes is lying out until bottling and distribution is complete, and wholesalers have taken their inevitable period of trade credit.

With all production costs rising, high interest charges, and falling demand, it was not surprising that producers lost confidence in 1975, and cut back production as far as they did. Confidence is slowly returning, but it is a feeling within the industry that the Government could help greatly by simply delaying its demand for tax payments. It is a bitter bone of contention among distillers, that they have to pay their taxes so promptly, while the brewing industry does not pay until sales to wholesalers are complete.

In spite of the slow recovery of output which is expected during 1976, the prospects for future supplies are not so black as the cut-back may seem to indicate. Producers cannot sell whisky under three years of age, by law. Since the average age of whisky at sale is about five years, they have the loophole of selling younger blends to spread any erratic movements in raw whisky production. Just what the effects of the present decline in production turn out to be, depends on the continuing growth in world demand over the next four or five years.

For example, if demand recovered to its 10 per cent. rate through to 1981, consumption could be running about the 220m. gallon mark, which makes the 1975 level of production of 150-160m. gallons, which would normally be coming out of stock at that time, look frighteningly small. At a 5 per cent. trend, the demand level could be about 160-170m. gallons at that time.

The relevance of all this to Scottish farming is obvious, since it takes approximately 1⅓ tons of malting barley to produce one ton of malt. The straight malt whiskies, produced from barley alone, are mainly used to blend with other grain whiskies in the ratio of 15 per cent. malt to 85 per cent. grain to yield the typical blended Scotch. Since malt is vital to the industry, the demand for barley to produce Scotch is secure against substitutes. But since a little malt can produce a lot of blended whisky, the supply of straight malts and aged blends may not be so secure when there is a shortage of malt, as suggested could occur in the 1980s.

Malting barley has always been an important part of the usage of the Scottish crop. As far back as 1962, 168,000 tons of the 528,000 ton crop were purchased by Scottish maltsters. Figures for their consumption of the 1975 crop of 1,738,000 tons are not yet available, but they will probably show a use of about 500,000 tons, around 30 per cent. of the crop.

Requisites

Actually, in most areas in Scotland, most of the crop sold off farms is sold as malting barley, since much grain is fed to livestock on the farm on which it is grown. In areas such as Angus and Perth it is estimated that malting barley sales may be as high as 80-90 per cent. of total sales, and only in the north eastern counties (as they were) of Banff, Aberdeen and Kincardine, is there much scope for great expansion of malting barley sales.

This is the view of Mr. Hugo Croft, buying director for Moray Firth Maltings, who have the capacity to produce some 100,000 tons of malt a year—about 20 per cent. of the Scottish usage. Mr. Croft has been responsible for stimulating interest in the crop in these areas, by visiting potential producers, and speaking to meetings on the requisites of a malting barley sample.

The basis of alcohol production from grain is in the chemical changes taking place within the seed as it germinates. Therefore good germination is essential to a malting sample. The alcohol comes from converted starch, therefore a high starch content is necessary. This is usually found in plump grains, which characterise high bushel weight samples, and in grain with low nitrogen contents, since there is a strong negative correlation between protein (and therefore nitrogen content) and starch. Hence a low nitrogen analysis is essential.

The implications of these requirements for farmers is that they must be careful in the application of nitrogen to prospective malting barley crops, and indeed, they may be unable to get acceptable samples from crops taken after grass or grazed roots or dunged or slurried stubbles, since the organic nitrogen available to the crop in these conditions invariably leads to high nitrogen readings in the grain samples.

Successful

It cannot be denied that Scottish farmers have been more successful in producing malting barley than their English counterparts. The reasons probably lie in the facts that they have always retained a more balanced system of mixed farming, which has kept sample standards high, as well as yields without excessive nitrogen application.

Indeed, the Scottish barley yields consistently run some six or seven cwts higher than those of England and Wales. Last year the Scottish yield was 38.2 cwts per acre, compared with 29 cwts for England and Wales. There is a school of thought that nitrogen yield is relatively constant per acre, so that bigger yields "dilute" this amount, giving a better malting sample on this account.

The Scotsmen do seem to have the edge on their British competitors in the malting barley market. There are no signs that they are about to lose it.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

OPPER—Moved ahead on the London al Exchange. Forward metal opened £854 in the pre-market and rose to in the Rings on fresh buying reflect- the overnight strength on Comex reports of improved physical activity the past few days. Also helping sentiment was the modest weakness of sterling. In the afternoon, values rose further owing to stop-loss buying and fresh speculative demand, forward metal trading at £875 on the Kerb and touching £881 in late inter-office trading. Turnover 27,800 tonnes.

PPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
ebars				
......	839-40	+16	851-2	+24
onths	866.5-7	+18	878.9	+24½
lem'nt	840	+19	—	......
hodes				
......	831.5-2	+15	845-6	+25.5
onths	858.5-8.5	+15½	872.5-3	+25½
lem'nt	832	+16	—	......
mnt...		......	*70	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £839, three months £865 to 79 to 67. Cathodes: three months £860, 58.5, 59. Kerb: Bars: three months £866, 67, 66, 68, 9. Afternoon: Wirebars: three months £872, 73, 72, 73, 72, 73, 73.5, 74, 73.5, 75, 76, 75, 74.5, 75, 76, 77, 78, 81, 80, 79, 78. Cathodes: three months £872, 73. Kerbs: Bars: three months £879, 78, 77, 76, 75. Cathodes: three months £870.5.

TIN—Sharply higher. After opening at £4,190 in the pre-market, forward standard metal traded up to a record £4,200 in early afternoon Ring dealings. In the morning values moved ahead owing to fresh demand prompted by expectations of a higher price structure emerging from the International Tin Council meeting. Also fuelling the rise was chartist buying and trade interest, although aggressive selling of high grade cash metal, thought to be on behalf of the buffer stock manager, pared the forward standard price to £4,190 on the afternoon Kerb. Turnover 1,830 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	4060-2	+114	4055-60	+110
3 months	4180-5	+130	4175-80	+110
S'ment	4062	+114	—	......
Standard				
Cash	4060-2	+114	4055-60	+110
3 months	4175-80	+128	4170-5	+111
S'ment	4062	+114	—	......
Straits E.	$1101	......	—	......
New York	—	......	—	......

Morning: Standard: cash £4,060, three months £4,195 to 55, 45, 40 to 75. High Grade: cash £4,035. Kerbs: Standard: three months £4,175, 80, 85, 90. Afternoon: Standard: three months £4,190, £4,200, £4,195, 90 to 70. High Grade: untraded. Kerbs: Standard: three months £4,175, 80.

LEAD—Gained ground in line with the trend in copper. Fresh speculative buying and covering against recent physical business pushed forward metal up to £283 in early dealings although it closed below the day's highest at £279 owing to profit-taking on the afternoon Kerb. Turnover 6,100 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	270.5-1.5	+12½	270-1	+13
3 months	279.5-80.5	+13½	280-.25	+12⅞
S'ment	271.5	+13	—	......
N.Y. Spot	—	......	*21-23	......

Morning: three months £280, 83 to 79, 79.5, 80, 81, 80, 80.5, 80, 79.5, 80. Kerb: three months £279. Afternoon: three months £281, 82, 82.5, 82, 81, 80.5. Kerb: three months £280, 79.

ZINC—Rallied in line with other base metals. Forward metal opened at £450 and after easing to £449 in the afternoon owing to hedge selling rose afresh to £454, on the afternoon kerb. Turnover 4,275 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	433-4	+12.5	436.5-7.5	+13
3 months	448.5-9	+13½	452-.5	+12¾
S'ment	434	+12	—	......
Prim. West	—	......	*37.9	......

* Cents per pound. † On previous unofficial close. ‡ $M per picul.

Morning: three months £450, 50.5, 50, 49.5, 50, 50.5, 50, 49. Kerb: three months £449. Afternoon: three months £450.5 to 51, 52, 52.5. Kerb: three months £453, 54, 53.

SILVER

Silver was fixed 1.9p an ounce higher for spot delivery in the London bullion market yesterday, at 239.6p. U.S. cent equivalents of the fixing levels were: Spot 437.9c, up 3c; three-month 442.2c, up 1.9c; six-month 450.4c, up 1.7c; and 12-month 467.5c, up 3.1c. The metal opened at 238½-239½p (436-438c) and closed at 240-241p (438-440c).

SILVER per troy oz.	Bullion fixing prices	+ or —	L.M.E. close	+ or —
Spot	239.6p	+1.9	241.45p	+3.2
3 months	245.9p	+1.9	247.9p	+3.45
6 months	252.9p	+1.9		......
7 months		......	257.15p	+3.65
12 months	267.4p	+1.9		......

LME—Turnover 132 (168) lots of 10,000 ozs. Morning: Three months 246.5, 46.7, 46.2. Kerb: Three months 246.1. Afternoon: Cash 241.5; three months 247.8, 7.9, 8.0, 8.2, 8.1, 8.0, 7.0. Kerb: Three months 247.8, 7.7.

GRAINS

THE BALTIC—All sections of the imported grains market experienced dull trading conditions. Feed grain prices generally tended easier, while U.S. milling wheats were marked up slightly. Optional maize attracted a limited inquiry for May transhipment to the West Coast U.K.

Wheat—U.S. Dark Northern Spring No. 2, 14 per cent., July £93.90 direct Tilbury, May £104.20; June £101.60, July £101.15, Aug. £100.30, Sept. £99, Oct. £100.25, Nov. £102.20 transhipment East Coast sellers. U.S. Hard Winter No. 2 ordinary June £89.50, July £89.55, Aug. £99.75 transhipment East Coast sellers. EEC feed May £75, June £75.50 East Coast sellers.

Maize—No. 3 Yellow American/French first-half May £73, second-half May £73.50, June £73.75 transhipment East Coast sellers.

Barley—EEC feed May £72.75, June

MARK LANE—Business remained light and the price structure showed no material change. Small transactions to emerge included June deliveries of denaturable quality wheat at £78 and July at £79 per long ton. Average sellers (prices per long ton) for delivery London area: Wheat June £78, July £79.50; Denaturable June £78, July £79. Barley feed unquoted.

HGCA—Location ex-farm spot prices: Soft milling wheat—Lincoln £74.65. Feed barley—S. Lincoln £72.65; Wiltshire £73.45.

LONDON GRAIN FUTURES MARKET (GAFTA)—Wheat barely steady. Close: May 75.15, Sept. 70.30, Nov. 71.70, Jan. 74.00, March 76.85. Business: May 75.40-75.05, Sept. 70.65-70.25, Nov. 73.05-72.60, Jan. 75.25-74.50, March 77.15-76.75. Sales 234. Barley, barely steady. Close: May 71.85, Sept. 69.75, Nov. 71.90, Jan. 73.65, March 75.75. Business: May 72.00-71.80, Sept. 70.10-69.85, Nov. 72.15-71.80, Jan. 74.00-73.85, March nil. Sales 98.

COCOA

After opening steady, values advanced on new buying and short-covering in active conditions, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
No.6 Contract			
May	1062.0-75.0	+18.5	1072.0-50.0
July	1042.0-44.0	+7.25	1055.0-32.0
September	983.5-84.0	+11.0	995.0-88.0
December	918.0-19.0	+17.75	921-888
March	889.0-91.0	+14.25	892.0-75.0
May	875.0-77.0	+21.8	876.0-62.8
July	860.0-61.0	+17.0	860.0-52.0

Sales: 4,473 (4,231) lots of 10 tonnes.

International Cocoa Agreement prices, U.S. cents per pound—Daily 77.86 (76.18); 15-day indicator average 77.36 (77.20); 22-day average 75.31 (74.83).

COFFEE

Robustas closed the morning easy, having risen on origin supply fears and chart buying.

Prices declined in the afternoon due to profit-taking following the earlier sharp gain, closing easy. Arabicas closed quiet, 175 to 650 points higher.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
May	1387-95	+40.5	1410-380
July	1415-20	+45.0	1435-10
September	1415-17	+41.0	1448-395
November	1405-08	+35.5	1430-06
January	1398-400	+30.5	1420-00
March	1397-98	+29.5	1411-397
May	1398-99	+31.0	1416-396

Sales: 4,521 (2,982) lots of 5 tonnes.

ICO Indicator prices, U.S. cents per pound—Colombian Mild Arabicas 142.00 (140.00); Other Mild Arabicas 127.50 (123.00); Unwashed Arabicas Santos Fours 149.00 (same); Robustas 117.75 (117.50); Daily average 133.53 (133.00).

ARABICA CONTRACT (in order: buyer-seller, business, sales)—June 145.00-165.00, —, nil; Aug. 145.00-148.00, 145.00, 4; Oct. 144.75-146.38, 145.50, 1; Dec. 140.50-141.00, —, nil; Feb. 140.00-141.50, —, nil; April 140.50-140.55, 140.40, 4; June 136.00-141.00, —, nil. Total sales: 9.

MEAT/VEGETABLES

SMITHFIELD (pence per lb)—Beef: Scottish killed sides 40.0 to 43.0; English hindquarters 50.0 to 51.0, forequarters 30.0 to 31.5; Ulster hindquarters 50.0 to 52.0, forequarters 29.0 to 31.0; Eire hindquarters 49.0 to 52.0, forequarters 29.0 to 32.0.

Veal: English fats 40.0 to 46.0, beets 48.0 to 56.0; Scottish bobbies 20.0 to 24.0; Dutch hinds and ends 55.0 to 60.0.

Lamb: English small new season 52.0 to 56.0, medium new season 50.0 to 54.0, heavy new season 46.0 to 52.0; imported frozen—NZ PL 36.0 to 38.5, PM 35.0 to 35.5, PH 32.0 to 32.5.

Hoggets: English 26.0 to 44.0; Scottish 28.0 to 44.0.

Ewes: 13.0 to 20.0.

Pork: English, under 100 lbs 32.0 to 38.0, 100-120 lbs 31.0 to 37.0, 120-160 lbs 30.0 to 34.0, 160-180 lbs 28.5 to 30.0, 180 lbs and over 26.0 to 28.0.

MEAT COMMISSION—Average fatstock prices at representative markets on May 6: GB—Cattle £36.73 per live cwt (+0.23). U.K.—Sheep 54.8p per pound e.d.c.w. (−2.3). GB—Pigs £4.90 per score liveweight (+0.06). England and Wales—Cattle numbers down 3.9 per cent., average price £36.75 (+0.42); sheep down 11.5, 55.1p (−2.5); pigs up 4.1, £4.90 (+0.06). Scotland—Cattle up 38.8, £36.65 (−0.40); sheep down 30.1, 53.7p (−1.8).

COVENT GARDEN (prices in sterling)—Imported prices: Oranges—Egyptian: 2.30-2.80; Jaffa: Shamouti 2.90-3.45, Valencia Lates 3.00-4.10; Cyprus: Valencia Lates 3.00-3.50; Moroccan: Valencia Lates 2.30-2.70; Californian: Navels 72.78 4.00. Lemons—Italian: 2.20-2.50; Spanish: Cartons 1.40-1.50. Apples—New Zealand: Cox's Orange Pippin 165 6.10, 175 6.60, 198 5.60, 216 5.60; South African: Per 40 lbs Granny Smith 5.50-5.70, White Winter Permain's 4.60-4.90, Starking 4.40-4.90, Golden Delicious 4.10-4.40, Jonathans 4.00, Dunn's Seedling 125/198 4.00-4.40; French: Golden Delicious 20 lbs 72/84 1.55-1.80; 38 lbs 1.15-2.20; 20 lbs Starking Delicious 1.70-1.90, Stark Crimson 1.85-1.95; Italian: Per pound Belfort 0.06, Golden Delicious 0.08, Rome Beauty/Starking Delicious 0.07½. Pears—South African: Cases Beurre Bosc 5.20; Italian: Per pound Passacrassane 0.08; South African: Comice Pears trays approx. 1.90. Grapes—South African: New Cross 4.50, Barlinka 2.80, Almeria 5.00. Strawberries—Per punnet, Spanish; 8 ozs 0.30-0.35; Italian: 8 ozs 0.25; U.S.: approx. 12 ozs 0.90. Dates—Algerian: Per carton 0.23. Avocados—South African: 3.00. Capsicums—Canary: 13 lbs 3.60; Dutch: 11 lbs 3.50-4.00; U.S.: 0.30 per pound. Asparagus—Californian: Per pound 0.88; Hungarian: 0.50 per half-kilo. Tomatoes—Canary: 1.60-2.30; Dutch: 2.20-2.70; Jersey: 2.20-2.70; Guernsey: 2.20-2.70. Courgettes—Kenya: Per 6 lbs 1.60-1.70. Chicory—Belgian: Per 5 lbs 1.80-1.90. Cucumbers—Dutch: 1.60. Onions—Chilean: 5.00-5.60; Texas: 5.50; New Zealand: 44 lbs 6.00; South African: 22 lbs 3.00; Canary: 25 kilos 6.50. New potatoes—Canary: 7.50-8.00; Valencia: 8.50; Egyptian: 7.30-7.60; Cyprus: 9.00; Moroccan: 8.00; Jersey: Per pound 0.20-0.22.

English produce: Apples—Per pound Bramley's 0.11-0.13, Laxton 0.05-0.06, Spartan 0.08. Potatoes—Per 56 lbs Whites 8.00-8.10, Edwards 8.00-8.10. Carrots—Per 28 lbs 0.80-1.20. Rhubarb—Per pound Outdoor 0.04. Cauliflowers—Per 12, Lincs 1.10, Kent 1.30-1.50. Mushrooms—Per pound 0.25-0.30. Swedes—Per 28 lbs Devon 1.00-1.20. Cucumbers—Per box 10/18 1.10-1.30, pre-pack 12s/14s 1.50-1.60. Tomatoes—Per box 12 lbs 2.10-2.20. Lettuce—Per 12, round 0.70-0.80.

RUBBER

STEADIER opening on the London physical market. Good interest throughout day, closing very steady. Lewis and Peat reported a Malaysian godown price of 200 cents a kilo (buyer, May).

No. 1 R.S.S.	Yesterday's close	Previous day's close	Business done
June	47.00-48.75	46.50-48.75	—
July	48.50-50.00	47.50-48.75	—
Jly-Sept.	52.65-53.50	51.00-51.50	—
Oct-Dec	56.65-57.00	55.00-55.25	57.00-56.40
Jan-Mr.	59.00-59.15	57.25-57.35	59.25-58.00
Apr-Jne	61.20-61.65	59.25-59.50	61.25-60.65
Jly-Sept	63.30-63.45	61.15-62.50	—
Oct-Dec	64.00-65.00	61.60-62.60	64.00-63.25
Jan-Mr.	66.00-68.00	62.50-64.00	66.00

Sales: 325 (125) lots of 15 tonnes.

Physical closing prices (buyers) were: Spot 46p nom. (45.25 nom.); June 47.5p (46.1); July 48.5p (46.75).

SOYABEAN MEAL

Market opened easier on stronger sterling. Strong trade support pushed the market higher, ending well up on the day, reports SNW Commodities.

	Yesterd'y's Close	+ or —	Business Done
	£ per tonne		
June	100.10-0.50	+0.95	100.40
August	101.40-1.80	+1.45	101.80-100.50
October	104.60-4.70	+1.45	105.40-3.50
December	106.30-7.20	+1.7	107.30-6.10
February	107.80-8.20	+1.6	108.00-07.20
April	108.80-9.20	+1.65	109.00
June	109.0-10.2	+1.2	109.17-09.50

Sales: 123 (171) lots of 100 tonnes.

JUTE

LONDON—Steady. Bangladesh White "C" grade May-June, June-July £216.00. "D" grade May-June June-July £207.00. A long ton.

CALCUTTA — Steady. Indian spot Rs.503.00. Dundee Daisee spot Rs.468.00 values. A bale of 400 lbs.

DUNDEE—Very quiet. Prices c. and f. U.K. for May-June shipment: BWC £212, BWD £203. Tossa: BTB £223, BTC £213, BTD £205. Calcutta goods steady. Quotations c. and f. U.K. for May shipment: 10-ounce 40-inch £7.44, 7½-ounce £5.76 per 100 yards. June £7.63 and £5.82, July-Sept. £7.61 and £5.91. "B" twills: £21.51, £22.05, £22.31 for the respective shipment periods. Yarn and cloth prices very firm.

SUGAR

LONDON DAILY PRICE (raw sugar) £188 (£168) a ton c.i.f. for May-June shipment. White sugar daily price was fixed at £187 (£186).

Market opened steadier than expected and gained in thin conditions. Steadiness carried through into afternoon trading, prices exceeding previous highs on a wave of stop-loss buying. These levels could not be held, however, and eased about £1 from highs, C. Czarnikow reports.

Sugar Pref. Comm. Con.	Yesterday's Close	Previous Day's Close	Business Done
	£ per ton		
Aug.	192.50-93.00	190.45-90.55	194.25-88.50
Oct.	194.45-94.55	191.70-91.75	195.50-90.50
Dec.	194.10-94.25	191.20-91.50	194.75-91.00
March	193.40-93.60	190.55-90.9	193.70-92.00
May	192.85-92.75	190.10-90.5	192.75-89.75
Aug.	192.60-92.75	190.00-90.30	193.00-90.00
Oct.	192.10-92.65	189.00-91.00	—

Sales: 2,590 (3,233) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £214.20 (same) a long ton for home trade and £233 (£250) a long ton for export.

WOOL FUTURES

LONDON—Market a shade easier, following overseas, reports Bache.

(Pence per kilo)

Australian Greasy Wool	Yesterd'y's close	+ or —	Business Done
May	195-200	−1.5	196.0
July	201.0-06.0	−1.0	—
October	213.0-15.5	−5.25	215.5
December	224.0-26.0	−3.0	225.0
March	233.0-37.0	−3.0	—
May	238.0-44.0	−0.5	—

Sales: 14 (33) lots of 1,500 kilos.

SYDNEY GREASY (in order, buyer, seller, business)—May 267.0-267.5, 270.0-267.0; July 275.5-276.0, 279.0-276.0; Oct. 286.0-288.5, 291.5-287.5; Dec. 295.9-296.5, 298.5-295.5; March 303.0-303.5, 305.0-302.5; May 308.0-308.5, 312.0-307.9. Sales: 282.

COTTON

COTTON, Liverpool—Spot and shipment sales amounted to 162 tonnes, bringing the total for the week so far to 2,222 tonnes. Limited dealings occurred, with only small forward buying in African and South American growth. The call for Middle Eastern qualities was on a moderate scale, F. W. Tattersall reports.

*

COPRA—Philippines: June $211, July $212.50 resellers per tonne c.i.f. North European ports.

VEGETABLE OIL SURPLUS 'MAY BE TEMPORARY'

KUALA LUMPUR, May 6.

The present world surplus of vegetabl oils could be temporary, the annual report of the Oil Palm Growers' Council of Malaysia says.

It adds that, in view of this, "any attempt to restrict the import of palm oil into the U.S. would be a disservice to the consumers."

"As long as palm oil can be produced at low cost, it should have access to markets worldwide and compete fairly on the basis of price."

AP—DJ

PRICE CHANGES

Prices per ton unless otherwise stated.

	May 6 1976	+ or —	Month ago
Metals			
Aluminium (a)	£460	......	£420
Free Market (cif)	£475-485	......	£416-425
Copper			
Cash Wire Bars (a)	£851.5	+24.0	£793.5
3 months do. do. (a)	£878.5	+24.25	£815.25
Cash Cathode (a)	£845.5	+25.5	£784.5
3 months do. do. (a)	£872.75	+25.75	£806.5
Gold Troy oz.	$127	−0.5	$128
Lead Cash (a)	£270.5	+13.0	£245
3 months (a)	£280.12	+12.88	£253.25
Nickel (a)	£2,562.5	......	£2,450
Free Market (cif)(lb)	$2.05-.2	......	$2.05-.25
Platinum (troy oz.)	£86-91.5	......	£83.5-89
Free Market	£84.9	+1.15	£78.9
Quicksilver (76lbs.)	$90-95	......	$100-105
Silver Troy oz.	239.6p	+1.9	229.5p
3 months	245.9p	+1.9	234.6p
Tin Cash (a)	£4,057.5	+110.0	£3,824
3 months (a)	£4,172.5	+111.0	£3,916.5
Wolfram 22.04lb. cif	$59-60.5	......	$52.5-4.5
Zinc Cash (a)	£437	+12.0	£429
3 months (a)	£452.25	+12.75	£442.5
Producers	$785	......	$795
Oils			
Coconut Malayan	‡	......	‡
Groundnut			
ex	£389	......	£411
Linseed Crude (a)	£395	......	£382
Palm Malayan (a)	£192	......	
Soyabean (a)		......	
Seeds			
Copra Philipp ton	$211	......	$210
Gr'nuts Nigerian		......	
Linseed Can No. 1	£167.5	+1.0	£164
Grains			
Barley EEC	£72.75	−0.75	
Home Futures	£71.85	−0.4	£71.85
Maize			
French No. 3 Am.	£73	−1.5	£72.5
S.A. Yellow	‡	......	£75
Wheat			
No. 1 Red Spring	‡	......	
No. 2 Hard Winter	£89.5	......	£92.1
Australian (f.a.q.)	‡	......	
English Milling	£78	......	£75.5
Cocoa Shipment (a)	£1078	......	£899.5
futures July	£1045	+7.25	£866.25
Coffee shipment (c)		......	
futures July (a)	£1418	+45.0	£1,151.5
Cotton 'A' Index			
cent.	68.85	+0.55	65.9
Jute UABWC (d)	£216	......	£204
Rubber kilo	46p*	+0.75	43.5p
Sisal EA SL (a)	$600	......	$600
Sugar (Raw)	£188	+5.0	£179
Wooltops 64s kilo	252p	......	225p
Cloves (Madagascar)	$3,000	......	$2,900
Pepper White ton	£1,080	−10.0	£1,040
Black ton	£875	−10.0	£850

* Nominal. † Seller. ‡ Unquoted. § Unofficial close. ♣ Indicative price. a Seller's quotation. b U.K. and Commonwealth refined. c Uganda Robusta standard grade indicative prices f.o.b. Mombasa U.S. cents a pound. d Bangladesh white "C." h Jan.-March. r Sept. n Metric tons

FINANCIAL TIMES

May 5	May 4	Month ago	Year ago
210.57	209.56	198.97	159.92

(Base: July 1, 1952=100)

REUTER'S

May 6	May 5	Month ago	Year ago
1432.6	1419.6	1349.1	1068.3

(Base: September 18, 1931=100)

DOW JONES

Dow Jones	May 5	May 4	Month ago	Year ago
Spot	331.77	331.12	312.50	278.35
Futures	319.96	318.60	305.12	267.81

(Average 1924-25-26=100)

MOODY'S

Moody's	May 5	May 4	Month ago	Year ago
Spie Commdty	813.1	813.1	790.5	727.9

(December 31, 1931=100)

*

GRIMSBY FISH—Supply moderate, demand good. Prices at ships' side (unprocessed) per stone: Shelf cod £2.30-£3.00, codlings £2.00-£2.20, shelf haddock large £1.80-£2.70, medium £2.30-£2.40, small £2.00, large plaice £2.90, medium £2.90, best small £2.40, medium skinned dogfish £3.00, large £4.00, lemon soles £4.00, rock fish £1.70-£1.80, reds £1.10-£1.30, saithe £1.10-£1.30.

U.S. Markets

Gains in copper, silver

NEW YORK, May 5.

SILVER FIRMED near the close to finish slightly higher on local short covering and speculative buying. Copper closed higher on Commission House buying. Coffee finished near and at limit bid on trade buying, with local short covering. Grains closed mixed on light Commission and local trading, Bache reports.

Cocoa—Ghana spot 92 nom. (91½), Bahia spot 91 nom. (90½), May 85.70 (83.00), July 82.10 (81.15), Sept. 77.25, Dec. 71.40, March 68.70, May 66.91, July 65.15, Sept. 63.80. Sales 1,734.

Coffee—"C" Contract: May 130.40-31.00 (126.55), July 127.45 bid (124.45), Sept. 126.40, Dec. 122.60, March 120.40 bid, May 119.00-121.50. Sales 327.

Copper—May 69.50 (67.70), June 69.30 (68.10), July 69.50, Sept. 70.40, Dec. 71.30, Jan. 71.50, March 72.50, May 72.90. Sales 7,500.

Cotton No. 2—May 64.45 (65.50), July 65.40-65.70 (64.03), Oct. 65.60-65.75, Dec. 64.10-64.25, March 64.65, May 64.60-64.80, July 64.75-65.00, Oct. 64.50-64.75. Sales 3,550.

†Gold—May 127.90 (127.50), June 128.10 (128.20), July 129.20, August 129.40, Oct. 130.60, Dec. 131.80, Feb. 133.10, April 134.40, June 135.70, August 137.00. Sales 1,450.

Greasewool—Spot 177.5 nom. (same), May 171.1-182.0 (172.5), July 171.1-179.5 (172.5), Oct. 172.2-179.0, Dec. 171.0 bid, March 171.5 bid, May unquoted.

†Lard—Chicago loose 15.87 nom. (15.62), NY prime steam 18.00 asked (17.85 asked).

††Maize—May 273-271½ (272½), July 274½-275 (274½), Sept. 269, Dec. 264½-264, March 272, May 276.

‡Platinum—July 156.00 (154.50), Oct. 159.50 (156.50), Jan. 162.10-162.20, Apr. 165.00-165.10, July 168.00-168.10, Oct. 170.90-171.10. Sales 557.

‡‡Silver—Spot 434.70 (428.90), May 437.00 (431.40), June 438.70 (434.00), July 440.30, Sept. 445.00, Dec. 451.10, Jan. 455.80, March 461.40, May 467.00, July 472.70, Sept. 478.50. Sales 13,400.

*Soyabeans—May 496-495½ (492½), July 494½-493½ (491½), August 495, Sept. 502½-502, Nov. 510½-510¾, Jan. 517½-517½, March 524¼, May 531.

||Soyabean Meal—May 138.50-138.80 (136.50), July 141.00-140.80 (139.80), August 142.00, Sept. 142.90-143.00, Oct. 143.50, Dec. 145.50-145.40, Jan. 146.50-147.00, March 149.30-150.00, May 150.20-150.50.

Soyabean Oil—May 15.96-15.95 (15.85), July 16.17-16.19 (16.13), August 16.29, Sept. 16.37-16.38, Oct. 16.47-16.49, Dec. 16.59-16.60, Jan. 16.65-16.70, March 16.75-16.80, May 16.90-16.92.

Sugar No. 11—Spot 14.45 (14.30), July 14.40-14.42 (14.45), Sept. 14.46-14.45 (14.45), Oct. 14.45-14.40, Jan. 14.33 nom., March 14.25-14.28, May 14.20-14.25, July 14.18 nom., Sept. 14.15, Oct. 14.14-14.05. Sales 3,298.

Tin—337.00-350.00 nom. (335.00-340.00).

**Wheat—May 329½-329¾ (325½), July 337½-337 (332½), Sept. 339½-339¼, Dec. 357¾, March 365½.

WINNIPEG, May 5. ††Rye—May 242 (243 bid), July 244-242¼ (245½), Oct. 249½ bid, Nov. 250 nom., Dec. 249½ asked.

‡Oats—May 151½ (151¼ bid), July 149½ bid (151 asked), Oct. 146, Dec. 148 asked.

§Barley—May 219½ (219½ bid), July 221½ bid (222-222½), Oct. 217½ bid, Dec. 215¾ nom.

§Flaxseed—May 630 bid (626 bid), July 636½ (637 bid), Oct. 652½ asked, Nov. 653 bid, Dec. 656 bid.

Wheat—SCWRS 13.5 per cent. protein content St. Lawrence 441 (442½).

All cents per pound ex-warehouse unless otherwise stated. *Cents per 60-lb bushel ex-warehouse. ♣ $'s per troy ounce—100-ounce lots. †Chicago loose $'s per 100 lbs—Dept. of Ag. prices previous day. Prime steam f.o.b. NY bulk tank cars. ‡Cents per troy ounce ex-warehouse. || New "B" contract in $'s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Chicago, Toledo, St. Louis and Alton. ‡‡ $'s per troy ounce for 50-ounce units of 99.9 per cent. purity delivered NY. **Cents per 60-lb bushel in store. ††Cents per 56-lb bushel ex-warehouse. 5,000 bushel lots. ‡ Cents per 24-lb bushel. § Cents per 48-lb bushel ex-warehouse, 5,000 bushel lots. d Cents per 56-lb bushel, ex-warehouse, 1,000-bushel lots.

INEMAS—(Cont.)

COMPANY NOTICES

OFFICIAL NOTICE

The loss has been reported to us of London Metal Exchange Warrants. tails as under, and we have been requested to issue duplicate Warrants.

urrant No.	No. of Pieces	Brand	Material	Weight
7039	595	CMFyAM Mexico	LEAD	24.977 Kilos
7063	556	CMFyAM Mexico	LEAD	24.988 Kilos
2139	565	CMFyAM Mexico	LEAD	25.495 Kilos

Anyone claiming to be entitled to these goods is invited to enter protest means of Summons against the delivery of the goods or the issue of duplicate arrants.

C. STEINWEG (HANDELSVEEM B.V.) P.O. BOX 1066,
WILLEMSKADE 20, ROTTERDAM.

STOCK EXCHANGE REPORT

Gilts progress further but equities still uncertain

Share index down 2.8 at 417.8—Turner and Newall react

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Apr. 20	Apr. 29	Apr. 30	May 11
May 3	May 13	May 14	May 25
May 17	May 27	May 28	Jun. 9

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Following overnight consideration of the agreed TUC-Government pay deal, British Funds made another good showing, but equities failed to hold initial small improvements.

Yield considerations in light of the projected fall in the rate of inflation were again the main factor in the Gilt-edged sector where an active day's trading in the later maturities, particularly the long "tap" stock, left closing gains ranging to 1½. Short-dated issues ended up to ¼ higher and the Government Securities index put on 0.35 more to 62.82 for a rise of 0.72 over the last two trading days.

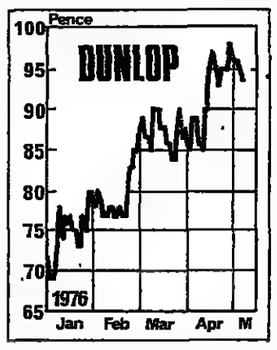
Leading industrials were marked up a penny or so at the start, but drifted off to close 2 or 3 lower on balance. Up 1.3 at 10 a.m., the FT 30-share index ended the day a net 2.8 down at 417.8. Vague talk of the possibility of a large fund raising issue from ICI, 5 off at 399.5, unsettled sentiment, but the day's reaction mainly reflected the lack of follow-through support. Although the results from Dunlop were better-than-expected, the price closed 2 cheaper at 93p on the liquidation of recent bull positions. Turner and Newall were a weak market at 160p, down 7, after 155p, following adverse Press comment in a trade journal on the use of asbestos.

Secondary issues were narrowly mixed, but falls just had the edge over rises by 6-5 in FT-quoted Industrials. The FT-Actuaries All-Share index eased 0.4 per cent. to 171.14. Trading conditions remained quiet, although there was a slight increase in official markings of 5,702.

Stimulated by predictions of a U.K. rate of inflation of only 4 per cent. by the end of next year, long-dated Gilt-edged really came into their own yesterday. To meet a substantial demand, particularly for the "tap," Treasury 12½ per cent., 1993, "A," the Government broker raised his price, which had become operative at 95¾, to 96 and subsequently withdrew leaving the market to speculate on his next selling level. The outcome of this was to take some steam out of the market and, although high-coupons stocks showed gains to 1¼, they were under the best in the late business. Shorter maturities were basically overshadowed, but withstood a fair volume of switching longer and the adverse effects of sterling to close generally ¼ higher, after initial rises extending to ½. Corporations followed with advances of a full point.

Extremely thin conditions persisted for much of the day in the investment currency market after completion of an initial two-way business. The premium fluctuated between 122 and 125 per cent. before ending slightly down on balance at 124½ per cent. Yesterday's SE conversion factor was 0.6361 (0.6304).

Home Banks recovered from a dull start to end little changed after slow trading. Lloyds, 238p, after 235p, and Midland, 288p, after 285p, closed without alteration, while National Westminster were 2 easier at 238p, after 235p. The advance in half-year profits left National and Commercial 2 firmer at 78p. Bank of Ireland, still on the "rights" offer proposals, receded 10 more to 315p for a two-day fall of 15. Allied Irish, with annual results due next Wednesday, declined 4 to 110p. Among Overseas Issues, Standard Chartered remained a firm market, adding 6 more at 428p, while National Bank of Australasia, ahead of interim results due next Thursday picked up 5 to 280p. Australia and New Zealand, still responding to the change of domicile news, ending 2 higher at 475p, after 478p. Discount Houses were inclined to harden in sympathy with firmness of gilt-edged; Allen Harvey and Ross added 10 at 390p and Gerrard and National 8 at 268p, while Clive put on 3 to 68p. Among Merchant Banks, Brown Shipley improved 5 to 155p, but Leopold Joseph came back 5 to 170p and Edward Bates shed 3 to 35p. Insurances closed modestly lower after thin trading. Still helped by the profits upsurge and indicated jump in dividend announced with the "rights" offer, C. E. Heath added 3 to 405p for a two-day rise of 33.



Apart from Boddingtons, which improved 3 more to 98p still on the proposed "rights" issue and chairman's encouraging statement, Breweries were rarely altered.

In Buildings, Clark and Fenn closed 3 up at 72p following bid terms, which carry a cash alternative of 75p per share, from Trafalgar House (unchanged at 90p). Taylor Woodrow, at 280p, recouped 2 of the previous day's fall of 10, while similar gains were seen in Beechwood, 20½p, and Rawlings Bros., 18p. Beaver Group were noteworthy for a rise of 3 to 66p. Trading news made no apparent impact on Roberts Adlard and C. H. Pearce and Sons, both of which closed without alteration at 62p and 85p respectively.

ICI, the day's most active stock, closed 5 cheaper at 399p, after 405p, sentiment being affected by a revival of vague talk of a forthcoming "rights" issue. Elsewhere in Chemicals, Catalin hardened 2 to 48p and Brent Chemicals moved up 3 further to 90p for a two-day gain of 8.

Television issues made a firm showing, Ulster 'A' finishing 2 up at 49p in front of to-day's interim report.

Combined English up

Combined English featured Stores, closing 8 better at 83p, after 87p, following the announcement of the Lonrho (unchanged at 94p) deal and the appointment of Mr. Rowland as deputy chairman. Press comment on the interim report directed attention to Burton Group "A," which closed a penny better at 57p following a reasonable two-way business. Mothercare, still reflecting trading news, improved 4 more to a 1976 peak of 202p for a two-day gain of 14. Fairdale Textile moved up 2 to 17p and Wilkinson Warburton rose 3 to 54p. W. H. Smith "A" gained 4 more at 376p, but UDS finished 2 off at 82p, after 85p. Mail Orders had an easier bias, Grattan Warehouses closing 2 off at 97p on consideration of the chairman's statement. Shoes were notable for an improvement of 8 to 143p in Church.

Extremely quiet conditions prevailed in the Electrical leaders. Exceptionally, Philips' Lamp, reflecting Amsterdam advices, reacted 50 to 985p. GEC, 163p, and Plessey, 79p, were both unchanged on the day, while EMI ended a penny down at 258p, and Thorn Electrical 2 softer at 362p, after 266p. Reyrolle Parsons managed to harden 1½ to 127p. Elsewhere, Ward and Goldstone continued to meet support and picked up another 4 to 89p, while an improvement of 2 occurred in A.B. Electronic, 63p.

Hawker returned to favour initially and rose to 486p before drifting back to close only 2 better on balance at 482p. Other leaders were marginally easier. Tube Investments shedding 4 to 376p and GKN 2 to 345p. Weyburn were also a reactionary market, losing 10 to 240p, while Rotork gave up 4 to 146p, the latter despite the success of the recent "rights" issue. Greenbank Industrial put on 4 more to 54p in further in response to the increased profits and proposed scrip issue, while Metalrax gained 3 to 26p still influenced by the chairman's optimism about prospects. Turriff, the recipient of good results, rose 3 to 77p, after 78p. Elsewhere, A. Cohen were raised 4 to 124p and TCK 3 to 83p.

J. Sainsbury continued to feature Foods, improving 9 more to 139p, a two-day gain of 19p following Press comment on the preliminary figures. Biscuit manufacturers had Fox's 8 better at 145p and United 7 higher at 134p.

Turner and Newall fall

Adverse comment regarding the possible cancer risks connected with asbestos unsettled Turner and Newall, which closed 7 down at 160p with the new shares 8 cheaper at 150p, after 145p. Also affected were Bestobell, down 3 at 135p, after 130p, following the full report. Leading miscellaneous Industrial leaders generally showed small losses after an idle trade, although Pilkington improved 5 to 345p. Elsewhere, Gross Cash Registers, following Press suggestions of an impending bid, closed 6 up at 40p, after 42p; the annual results are expected next Friday. Marshall's Universal advanced 8 to 132p and Clement Clarke 5 to 70p, both in response to higher profits while, for the same reason, Hoskins and Horton hardened 2 to 71p.

Dunlop provided the main interest in Motors and Distributors, closing 2 cheaper at 93p after a reasonable business following preliminary figures which just came up to expectations.

Among otherwise little-changed Overseas Traders, Ocean Wilsons encountered a good demand, thought possibly to be connected with Inchcape's recent purchase of a 15 per cent. stake, and moved ahead 17 to close at the day's best of 142p.

Incoming Wall Street influences imparted firmness to British Petroleum which made a fresh 1976 peak of 675p before a close of 7 higher on the day at 672p. Shell improved 2 to 440p, while Royal Dutch hardened ½ to £41, but secondary issues were slightly reactionary. Burmah still attracted a certain amount of interest, but reacted on profit-taking to 38p, prior to ending a net 1 lower at 39p, Tricentrol lost 3 to 61p and Ultramar gave up 2 to 168p. Domestic market advices lifted Ranger ¾ to £13, while the appearance of a buyer in a very restricted market raised Weeks Natural Resources 10 to 60p; the Preferred Ordinary rose 13 to the same level. Siebens (U.K.) rallied 5 to 180p, the price published in yesterday's market report was inadvertently stated as 73p.

Property leaders reacted in slack trading to close near the day's worst. Losses of 4 were recorded in Land Securities, 157p, after 156p, and MEPC, 67p, while English Property shed 2 to 41p. News of a Dutch property deal failed to stimulate interest in Town and City Properties, which softened a penny to 14½p. Similar falls occurred in British Land, 30½p, and Capital and Counties, 11½p. Elsewhere, further small buying in a limited market brought a fresh advance of 18 to 120p in Corn Exchange. Take-over rumours continued to circulate in Intereuropean Property, 2 higher at a 1976 peak of 78½p. Berkeley Hambro, still benefiting from the Bishopsgate Property leasehold sale to Hongkong and Shanghai Banking, initially improved afresh to 140p but later slipped back to 134p for a loss of 3 on the day; the latter relinquished 4 at 346p.

International Pacific Securities improved 8 to 143p in Trusts and Financials, where S. Pearson hardened another 3 to 144p and J. F. Nash Securities moved up 4 to a 1976 peak of 60p.

P & O Deferred attracted a fair amount of interest following Press comment on the preliminary figures, finishing 2 harder at 104p, after 105p.

Textiles had a slightly easier bias, with Towles 2 lower at 26p following the reduced profits; the "A" shares lost 1 to 21p. The chairman's optimism about current year prospects failed to help Yorkshire Fine Woollen Spinners, 1 cheaper at 24p.

Imps became subject to selling pressure in Tobaccos and fell 2¼ to 77½p, while Bats eased 2 to 400p, after 398p.

Among Plantations, British Indian Tea jumped 30 to 150p following demand in a negotiable market. Warren Tea remained firm at 97p, up a penny more, while Peacock Sasini held at 47p despite poor results; the company's coffee prospects are a bull factor.

Golds lose ground

South African Gold shares opened steadily enough but following the decline in the bullion price and the easing in the investment dollar premium, coupled with reports (which were later confirmed) that the International Monetary Fund is to auction 780,000 ounces of gold on June 2, jobbers marked down share prices. Subsequent Continental and local offerings caused a further setback in prices and the Gold Mines index fell 9.6 to 178.6. Bullion was finally 50 cents down ounce.

Shares of Randfontei market of late on its potential, were notably ing £3 to 13¼, while Geduld fell a point to £14 of ¾ were common heavyweight issues, while lower priced stocks Areas dropped 25 to 220p State Saaiplaas receded 170p.

Financials mirrored Anglo American closed 5 balance at 330p, after 32 De Beers lost 7 to 247p, London-based issues lost in line with U.K. In Selection Trust dropped 490p, while the "new" sh a similar amount to 78p Gold Fields and Charte both 6 lower at 179p respectively.

Coppers and Platinum mixed. Tins moved ahead ing the strength of the price. Ayer Hitam rose 8 in front of the record output figure.

Australians were gen firmer in line with the tr overnight markets in Sydn Melbourne. MIM Holdings to 282p and EZ Industries 10 to 415p.

Elsewhere, Consolidated ison gave up 20 to 930p on and local offerings.

FINANCIAL TIMES STOCK INDICES

	May 6	May 5	May 4	May 3	April 30	April 29
Government Secs.	62.82	62.47	62.10	62.12	62.16	62.1
Fixed Interest	62.31	61.90	61.65	61.70	61.75	61.6
Industrial Ordinary	417.8	420.6	420.8	419.2	418.1	412.
Gold Mines	178.6	188.2	187.5	189.7	187.9	184.
Ord. Div. Yield	5.06	5.02	5.02	5.03	5.04	5.1
Earnings Y'ld % (full)	14.85	14.74	14.75	14.77	14.80	14.9
P/E Ratio (net) (a) (b)	10.19	9.97	9.97	9.95	9.93	9.8
Dealings marked	5,702	5,471	6,485	5,754	5,808	5,3
Equity turnover £m.	—	66.27	65.28	76.86	70.13	82.5
Equity bargains total	—	14,744	14,350	15,259	15,614	14,1

10 a.m. 421.3. 11 a.m. 419.1. Noon 420.2. 1 p.m. 420.1. 2 p.m. 419.7. 3 p.m. 419.0.

Latest Index 01-246 8026.

(a) Based on 52 per cent. corporation tax. (b) Nil=10.18.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1976 High	1976 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	66.21 (30/1/76)	60.19 (2/1/76)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	64.43 (2/2/76)	59.75 (2/1/76)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	420.8 (4/5/76)	381.6 (5/1/76)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	246.9 (2/1/76)	140.1 (5/4/76)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVIT

—	May 6
Daily—	
Gilt-Edged	144.9
Industrials	202.7
Speculative	60.8
Totals	129.8
5-day Av'ge.	
Gilt-Edged	145.7
Industrials	198.4
Speculative	59.8
Totals	130.0

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section.	Thursday, May 6, 1976 Index No.	Day's Change %	Est. Earnings Yield % (Max. Corp. Tax 52%)	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Wed. May 5 Index No.	Tuesday May 4 Index No.	Monday May 3 Index No.	Friday April 30 Index No.	Year ago (approx.) Index No.	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	**CAPITAL GOODS (179)**	158.94	−0.1	14.27	5.64	10.57	10.47	158.83	158.56	160.01	158.04	118.70	160.06 (21/4)	143.65 (2/1)	206.87 (4/5/72)	50.71 (13/12/74)
2	Building Materials (30)	145.76	—	12.42	6.22	12.20	12.19	145.74	145.57	146.64	144.05	105.92	150.18 (16/1)	136.49 (20/2)	233.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	221.57	−0.5	16.17	4.77	9.61	9.61	222.62	224.60	225.82	225.55	229.80	260.20 (15/1)	221.57 (6/5)	389.35 (19/5/72)	71.48 (2/12/74)
4	Electricals (16)	280.60	+0.6	14.62	4.41	10.10	9.81	278.97	278.13	284.14	279.95	205.08	287.30 (21/4)	250.60 (6/1)	350.04 (4/5/72)	86.71 (25/6/62)
5	Engineering (Heavy) (13)	191.58	—	18.95	6.16	8.27	8.27	191.54	191.16	193.18	191.66	141.37	193.18 (3/5)	165.90 (6/1)	202.57 (6/6/73)	94.43 (1/2/76)
6	Engineering (General) (63)	148.95	−0.1	14.37	5.87	10.38	10.37	149.08	148.73	149.29	147.55	106.11	149.29 (3/5)	125.48 (2/1)	168.59 (4/5/72)	46.14 (6/1/75)
7	Machine and Other Tools (9)	60.12	−0.3	13.45	6.66	13.15	13.11	60.32	60.42	60.62	59.29	45.44	60.62 (3/5)	51.19 (5/1)	136.70 (4/7/66)	19.96 (13/12/74)
8	Miscellaneous (25)	141.05	—	13.59	6.00	11.48	11.16	140.99	140.06	140.68	140.44	107.09	141.05 (6/5)	121.55 (2/1)	177.41 (27/4/72)	49.65 (6/1/75)
9	**CONSUMER GOODS (DURABLE) (33)**	138.66	−0.5	14.60	4.68	10.22	10.19	139.32	138.77	139.95	137.97	83.52	141.46 (21/4)	121.87 (2/1)	227.76 (21/4/72)	38.59 (6/1/75)
10	Lt. Electronics, Radio TV (15)	155.01	−0.6	12.82	3.47	11.45	11.44	155.86	155.69	157.07	154.68	92.19	160.35 (7/4)	139.18 (2/1)	257.41 (19/6/72)	42.65 (13/12/74)
11	Household Goods (13)	182.93	−0.8	15.93	6.26	8.96	8.96	184.44	182.55	181.92	179.74	134.58	187.22 (7/4)	165.58 (2/1)	263.22 (4/5/72)	63.92 (17/12/74)
12	Motors and Distributors (25)	84.46	−0.2	16.69	6.08	9.06	9.02	84.62	84.08	85.16	84.02	47.11	85.16 (3/5)	70.05 (6/1)	170.59 (15/1/69)	19.91 (6/1/75)
13	**CONSUMER GOODS (NON-DURABLE) (168)**	158.71	—	13.49	5.67	11.16	11.08	158.76	157.12	158.64	155.15	135.90	162.24 (4/2)	148.09 (12/4)	226.08 (16/8/72)	61.41 (13/12/74)
14	Breweries (15)	162.94	+0.5	13.82	5.65	10.86	10.85	162.05	160.87	161.43	157.87	146.92	179.43 (2/2)	150.25 (12/4)	261.87 (28/11/72)	69.47 (13/12/74)
15	Wines and Spirits (7)	188.46	−1.2	9.98	5.57	16.20	16.20	190.67	190.07	190.05	185.24	152.27	190.67 (5/5)	175.82 (12/4)	257.40 (13/7/73)	76.81 (13/12/74)
16	Entertainment, Catering (14)	189.07	+0.3	12.71	6.98	12.11	12.01	188.46	187.69	190.68	189.95	145.55	211.26 (8/3)	182.26 (2/4)	329.99 (12/12/72)	54.87 (18/7/74)
17	Food Manufacturing (22)	179.26	+0.5	14.29	4.82	10.68	10.62	178.41	177.19	178.34	176.39	141.75	179.26 (6/5)	162.69 (20/2)	211.65 (1/5/72)	59.78 (11/12/74)
18	Food Retailing (16)	145.06	+1.7	11.37	4.86	12.60	12.60	142.66	138.84	140.66	137.79	133.89	160.05 (12/1)	138.51 (2/4)	285.08 (16/2/73)	64.25 (11/12/74)
19	Newspapers, Publishing (16)	176.60	—	11.68	6.84	12.89	12.89	176.64	176.60	176.05	174.65	135.60	184.34 (11/3)	163.47 (2/1)	250.29 (18/1/73)	55.08 (6/1/75)
20	Packaging and Paper (12)	111.68	—	16.00	7.00	9.63	9.53	111.70	110.80	111.21	109.64	97.71	112.80 (26/2)	104.18 (2/4)	135.69 (26/4/72)	48.46 (6/1/75)
21	Stores (34)	129.61	−0.1	11.57	6.29	13.32	13.30	129.69	127.58	129.62	127.71	123.99	136.24 (2/2)	121.50 (12/4)	204.59 (16/8/72)	52.63 (6/1/75)
22	Textiles (23)	174.08	−0.3	12.46	6.56	10.59	9.90	174.56	171.92	174.16	168.91	129.47	185.19 (30/1)	165.16 (12/4)	253.72 (17/9/68)	62.66 (11/12/74)
23	Tobaccos (3)	237.20	−1.5	16.38	5.97	8.30	8.30	240.76	240.00	241.89	227.93	179.52	241.89 (3/5)	211.66 (5/3)	359.16 (2/8/72)	94.34 (13/6/62)
24	Toys and Games (6)	78.10	+0.5	17.46	6.06	7.98	7.98	77.89	77.84	78.49	75.51	41.37	78.10 (6/5)	59.13 (22/1)	135.72 (16/1/70)	20.92 (6/1/75)
	OTHER GROUPS (96)															
25	Chemicals (28)	227.60	−0.4	11.26	4.23	12.53	12.55	228.41	228.04	231.38	228.24	161.71	231.38 (3/5)	199.46 (6/1)	231.38 (3/5/76)	71.20 (1/12/74)
26	Office Equipment (9)	97.81	−0.1	15.05	5.53	11.69	11.69	97.89	97.68	98.50	98.50	92.71	99.82 (21/4)	86.09 (2/1)	246.06 (1/9/72)	45.34 (2/1/75)
27	Shipping (12)	402.81	+0.4	17.57	6.40	7.27	6.98	401.11	397.26	388.68	392.25	344.25	432.64 (30/1)	356.82 (19/3)	517.00 (5/12/72)	90.80 (29/6/62)
28	Miscellaneous (49)	171.32	−0.2	13.65	6.24	10.76	10.77	171.61	171.05	172.09	171.60	141.09	172.98 (21/4)	156.79 (2/1)	258.83 (3/6/72)	60.39 (6/1/75)
29	**INDUSTRIAL GROUP (496)**	164.70	−0.1	13.50	5.42	10.99	10.91	164.84	163.87	165.58	162.86	129.72	165.58 (3/5)	152.00 (2/1)	220.17 (1/5/72)	59.01 (13/12/74)
30	**OILS (4)**	383.64	+0.6	11.17	4.28	10.36	9.58	380.75	380.17	377.97	380.78	251.61	383.64 (6/5)	331.34 (18/2)	431.66 (29/5/68)	87.23 (29/5/62)
31	**500 SHARE INDEX**	182.79	—	13.13	5.24	10.88	10.58	182.70	181.75	183.00	180.84	140.06	183.00 (3/5)	167.51 (2/1)	227.95 (16/8/72)	63.49 (13/12/74)
32	**FINANCIAL GROUP (100)**	156.67	−0.9	—	5.38	—	—	157.86	157.64	158.75	156.14	157.49	163.46 (30/1)	132.75 (12/4)	241.41 (11/4/72)	55.88 (13/12/74)
33	Banks (6)	165.41	−0.2	18.48	5.12	8.35	8.35	165.67	165.94	168.31	161.84	149.58	192.16 (29/1)	152.93 (19/3)	288.32 (20/7/72)	62.44 (12/12/74)
34	Discount Houses (10)	162.12	−0.4	—	7.66	—	—	162.84	162.84	162.45	160.66	137.99	186.52 (13/1)	152.20 (1/4)	293.13 (27/7/72)	81.40 (10/12/74)
35	Hire Purchase (5)	112.32	−1.4	—	5.61	—	—	113.97	113.17	114.04	114.90	108.09	132.10 (26/2)	104.50 (2/1)	433.72 (4/5/72)	38.83 (11/12/74)
36	Insurance (Life) (9)	117.54	−1.9	—	6.07	—	—	119.81	118.45	120.36	117.99	109.44	129.46 (30/1)	116.73 (26/4)	194.46 (15/3/72)	44.68 (2/1/75)
37	Insurance (Composite) (7)	108.66	−1.2	—	6.45	—	—	110.17	110.59	111.94	109.60	110.41	119.75 (30/1)	105.32 (6/1)	155.76 (21/4/72)	43.96 (13/12/74)
38	Insurance Brokers (9)	267.05	+0.2	8.85	4.13	16.65	16.63	266.56	263.81	268.51	259.86	185.44	267.05 (6/5)	218.26 (6/1)	267.05 (6/5/76)	65.86 (16/12/74)
39	Merchant Banks (17)	81.72	+0.5	—	6.77	—	—	81.29	81.27	81.56	81.52	84.40	93.83 (27/1)	77.94 (9/4)	278.57 (1/5/72)	31.21 (7/1/75)
40	Property (31)	159.74	−1.8	3.26	3.14	54.22	55.06	162.74	162.44	163.44	161.96	225.66	194.57 (30/1)	155.65 (12/4)	357.40 (9/11/73)	56.01 (20/4/65)
41	Miscellaneous (6)	80.93	—	16.15	6.94	9.69	9.69	80.93	80.80	81.67	81.14	68.06	91.98 (3/2)	78.10 (2/4)	303.13 (16/5/72)	33.29 (17/12/74)
42	Investment Trusts (50)	169.83	+0.8	3.08	4.27	34.16	34.14	168.42	167.67	168.51	165.74	165.32	184.56 (30/1)	155.54 (2/4)	245.79 (25/4/72)	71.63 (13/12/74)
43	**ALL-SHARE INDEX (650)**	171.14	−0.1	—	5.21	—	—	171.25	170.48	171.66	169.39	139.98	172.64 (30/1)	160.52 (2/1)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS *(Not included in 500 or All-Share indices)*															
44	Rubbers (9)	523.02	+0.4	11.39	6.47	13.23	13.05	521.16	517.65	516.82	508.33	501.55	523.02 (6/5)	404.67 (14/1)	555.37 (25/7/73)	84.68 (25/2/65)
45	Teas (8)	138.82	—	30.35	8.53	4.47	4.52	138.52	140.20	140.44	140.20	88.46	140.44 (28/4)	117.89 (7/1)	140.44 (28/4/76)	59.72 (17/10/74)
46	Coppers (3)	243.54	−0.2	40.58	7.06	2.46	2.46	244.05	248.60	250.51	250.01	454.15	301.47 (7/1)	178.95 (6/4)	567.78 (15/7/73)	94.08 (29/4/65)
47	Mining Finance (11)	116.53	−0.3	8.96	4.31	12.51	12.42	116.89	115.15	114.89	115.19	127.16	119.77 (7/1)	86.18 (5/3)	175.90 (28/4/69)	66.51 (30/9/74)
48	Tins (8)	108.68	+0.9	11.15	6.12	13.06	12.37	107.69	107.69	107.30	108.50	99.21	108.68 (6/5)	86.09 (9/2)	195.43 (12/1/73)	54.83 (27/5/71)
49	Overseas Traders (13)	252.17	+0.1	13.28	4.09	9.87	9.86	251.93	251.17	254.47	252.99	228.45	254.47 (3/5)	229.55 (2/1)	254.47 (3/5/76)	97.37 (6/1/75)

	FIXED INTEREST	Thurs., May 6 Index No.	Thurs., May 6 Yield %	Wed. May 5	Tuesday May 4	Monday May 3	Friday April 30	Thurs. April 29	Wed. April 28	Tuesday April 27	Year ago (approx.)	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	13.68	13.49	13.86	13.85	13.83	13.83	13.92	14.01	15.13	—	—	—	—
2	20-yr. Govt. Stocks (6)	50.82	‡12.82	50.17	49.84	49.86	49.86	49.85	49.62	49.48	47.15	53.65 (30/1)	47.56 (2/1)	115.42 (11/8/63)	38.77 (3/1/75)
3	20-yr. Red. Deb. & Loans (15)	50.52	‡14.67	50.52	50.37	50.00	50.05	*50.04	*49.38	49.38	45.32	51.46 (4/5)	46.66 (2/1)	113.43 (23/10/63)	37.01 (3/1/75)
4	Investment Trust Prefs. (15)	48.61	14.20	48.48	48.46	48.44	48.19	48.27	48.05	47.66	42.20	51.23 (18/2)	46.50 (2/1)	114.41 (13/9/63)	34.45 (4/12/74)
5	Coml. and Indl. Prefs. (20)	66.72	14.32	66.37	65.87	65.40	65.65	65.20	65.13	64.93	58.23	71.97 (2/2)	63.76 (2/1)	114.95 (7/10/63)	47.67 (6/1/75)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31 12 74	100.00	Miscellaneous Financial	31 12 70	128.06
Engineering (Heavy)	31 12 71	153.84	Food Manufacturing	29 12 67	114.13
Engineering (General)	31 12 71	153.84	Food Retailing	29 12 67	114.13
Wines and Spirits	16 1 70	139.75	Insurance Brokers	29 12 67	96.67
Toys and Games	16 1 70	135.72	Mining Finance	29 12 67	100.00
Office Equipment	16 1 70	162.74	All Other	10 4 62	100.00
Industrial Group	31 12 70	128.20			

‡ Redemption yield. FT-Actuaries Indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By post 20p.

* Corrected.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1976 high	1976 low
ICI	£1	17	399	−3	411	334
Shell Transport	25p	13	440	+2	444	378
BP	£1	12	672	+7	673	575
Burmah Oil	£1	11	39	−1	[illegible]	31
Selection Tst. 'New'	Nil/pd.	11	83*	−6	91*	85*
Distillers	50p	10	154	−3	158	142
Rank Org.	25p	10	165	−3	193	142
RTZ	25p	10	229	−4	239	178
Unilever	25p	10	400	+2	490	[illegible]
Aust. & NZ Bkg.	$1	9	473	+2	480	380
P & O Defd.	£1	8	104	+2	119	87
Beecham	25p	7	367	−1	372	339
"Bats"	25p	7	400	−2	410	342
Glaxo	50p	7	403	−2	422	337
GKN	£1	7	343	−2	360	266

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e).
* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Apr. 28	May 10	July 22	Aug. 3
May 11	May 24	Aug. 5	Aug. 17
May 25	Jun. 8	Aug. 19	Sep. 1

"Calls" were dealt in Laurence Scott, Barclays Bank, Grand Metropolitan Warrants, General Electric, Shell Transport, British-American Tobacco, ICI, Charter Cons., Evans of Leeds, National Westminster Bank Warrants, Lonrho, Dunlop, British Car Auction and Courtaulds. No "puts" were reported, while "doubles" were arranged in ICI, Lonrho, British Car Auction, British Land and English Property.

Industrials							
		Guardian	20	Spillers	3	Shell	44
		G.K.N.	22	Tesco	5	Ultramar	60
A. P. Cement	15	Hawker Sidd.	55	Thorn "A"	20		
Assoc. Leisure	5	House of Fraser	8	Tube Invest.	27	Mines	
Barclays Bank	22	I.C.I.	21	Unilever	40	Anglo Amer.	50
Beecham	28	"Imps"	7	Utd. Drapery	10	Charter Cons.	16
Boots Drug	12	I.C.L.	14	Vickers	13	Chart'h'll Fin.	6
Bowaters	16	Inveresk	7	Williams Hud'n.	4	Cons. Gold	16
B.A.T.	30	Legal & General	13	Woolworths	6	De Beers Def.	35
British Leyland	7	Ladbroke	11			F. S. Geduld	350
BOC Int.	6½	Lloyds Bank	22	Property		Great Boulder	12
Burton 'A'	7	"Lots"	4	Brit. Land	4½	Hampton Areas	12
Cadburys	6	"Mams"	6	Cap Counties	3½	Hampton Prop.	4
Courtaulds	11	Marks & Spencer	10	E.P.	8	Kloof	100
Debenhams	8	Midland Bank	22	Int. Europ.	7	Lonrho	12
Distillers	13	Nat'lWest Bank	20	Land Securities	16	Loraine	56
Dunlop	7½	"Do" Warrants	8¼	MEPC	10	Poseidon	55
Eagle Star	16	P & O Dfd.	11	Peachey	3½	Pres. Steyn	200
E.M.I.	17	Plessey	8	Town & City	3½	Rio T. Zinc	17
Gen. Accident	16	R.H.M.	6	Town & Comm.	4	Welkom	56
Gen. Electric	15	Rank Org. 'A'	18			West Areas	40
Glaxo	50	Reed Int'l	25	Oils		Western M'ng.	18
Grand Met	7	Rothmans	4	Brit. Petroleum	40		
G.U.S. 'A'	17	Slater Walker	1½	Burmah Oil	7		

NEW HIGHS AND LOWS FOR 1976

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1976.

NEW HIGHS (81)

BRITISH FUNDS (5)
Funding 5¼pc 82-84
Treas. 13¼pc 1997
Treas. 15pc 1990
Treas. 13¼pc '97 'A'
Treas. 12½pc 1993 'A'

COMMONWEALTHS (2)
Aust. 5½pc 1977-80
N. Z. 7½pc 1983-86

LOANS (2)
Alcan 10½pc '89-94
ICFC 5½pc 1982-97

FOREIGN BONDS (1)
Japan 4pc '10 Assd.

AMERICANS (4)
AMF 5pcCnv. 1987
Continental Oil
Barnes
Exxon

CANADIANS (4)
Inco
Bell Canada
Ryl. Bk. Canada
Toronto-Dom. Bk.

BEERS (1)
Boddingtons

BUILDINGS (4)
Beaver
Intnl. Paint
Clarke and Fenn
Leyland Paint

CINEMAS (1)
Ulster TV 'A'

STORES (1)
Mothercare

ENGINEERING (7)
Firth (G. M.)
Molo (M.)
Greenbank
Redman Heenan
Hawker Siddeley
Sheepbridge
Lane (P.)

FOODS (5)
Avana
Sainsbury (J.)
Fox's Biscuits
United Biscuits
Lovell (G. F.)

INDUSTRIALS (14)
Black & Edgington
Hoskins & Horton
Broken Hill Prop.
Marshalls Universal
Chamberlain
Morgan Crucible
Christies Int.
Pilkington
Clarke (Clement)
Sale Tilney
Gross Cash Registers
Sumner (F.)
Hepworth Ceramic
Unerman

INSURANCES (2)
Heath (C. E.)
Leslie & Godwin

MOTORS (3)
Appleyard
Genl. Motors Units
Automotive Prods.

NEWSPAPERS (2)
Benn Bros.
Morgan Grampian

PAPER (2)
Smurfit (J.)
Tiger Walker

PROPERTY (2)
Burton (M.) Prop.
Intereuropean

SHIPPING (1)
Lyle Shipping

SHOES (1)
Church

TRUSTS (4)
Equity Consort Dfd.
Nash (J. F.)
Intnl. Pacific Secs.
West of England

OILS (2)
BP
Ranger Oil

OVERSEAS TRADERS (2)
Boustead
Ocean Wilsons

RUBBERS (2)
London Sumatra
Petaling

TEAS (2)
British Indian
Warren Tea

MINES (5)
Anglo Am. Coal
Beralt Tin
A. M. & S.
Geevor
Western Mining

NEW LOWS (22)

BANKS (1)
Bank of Ireland

BUILDINGS (1)
SGB

STORES (1)
Shephard (E.)

ELECTRICALS (1)
Decca 'A'

ENGINEERING (1)
Green's Economisers

FOODS (1)
Highgate and Job

HOTELS (1)
Trust Houses Forte

INDUSTRIALS (5)
Allied Polymer
Randall (J. L.)
Bestobell
Talbex
Compton Webb

INSURANCES (2)
Brittanic
Pearl

PROPERTY (7)
Beazer (C. H.)
Law Land
Countryside
Prop. & Rvrsnry. 'A'
Land Secs.
Stock Conversion
Do. 5¾pcCnv. 1983

TRUSTS (1)
Oil & Assoc. Inv.

RISES AND FALL YESTERDAY

	Up	Down
British Funds	51	[illegible]
Corpns. Dom. and Foreign Bonds	36	0
Industrials	254	307
Financial and Prop.	104	108
Oils	10	5
Plantation	3	[illegible]
Mines	29	[illegible]
Recent Issues	15	13
Totals	492	[illegible]

BASE LENDING RATES

Allied Irish Banks Ltd.	9
American Express Bank	9
Anglo-Portuguese Bank	9
Henry Ansbacher	10
Banco de Bilbao	9
Banco de Jerez	10
Bank of Cyprus	10
Bank of N.S.W.	9
Banque du Rhone S.A.	10
Barclays Bank	9
Barnett, Christie Ltd.	10
Bremar Holdings Ltd.	10
Brit. Bank of Mid. East	
■ Brown Shipley	
Canada Permanent AFI	
Cayzer, Bowater Co. Ltd.	
Cedar Holdings	
■ Charterhouse Japhet	
C. E. Coates	
Consolidated Credits	
Co-operative Bank	*
Corinthian Securities	
Credit Lyonnais	
G. R. Dawes	
Duboff Brothers	
Duncan Lawrie	
English Transcont.	
First London Secs.	
■ Antony Gibbs	
Goode Durrant Trust	
Greyhound Guaranty	
Grindlays Bank	‡
■ Guinness Mahon	
■ Hambros Bank	
Hawtin & Partners	
■ Hill Samuel	§
C. Hoare & Co.	†
Julian S. Hodge	
Hongkong & Shanghai	
Industrial Bank of Scot.	
Keyser Ullmann	
Knowsley & Co. Ltd.	
Lloyds Bank	
London & European	
London Mercantile	
Midland Bank	
■ Samuel Montagu	
■ Morgan Grenfell	
National Westminster	
Northern Comm. Trust	
Norwich General Trust	
Portman Guaranty	
P. S. Refson & Co.	
Rossminster Accept'cs.	
Schlesinger Limited	
E. S. Schwab	
Security Trust Co. Ltd.	
Shenley Trust	
Standard Chartered	
Trade Development Bk.	
Twentieth Century Bk.	
United Bank of Kuwait	
Whiteaway Laidlaw	
Williams & Glyn's	
Yorkshire Bank	

■ Members of the Accepting Committee.
* 7-day deposits 5½%, 1-month 5¾%.
† 7-day deposits on sums of £10,0 under 5½%, up to £25,000 6¼ over £25,000 6¾%.
§ Demand deposit 7%.
‡ Call deposits over £1,000 5½%.

CORAL INDEX
Close 414-419

I. G. INDEX
GOLD 125½-128½

INSURANCE BA RATES

† Atlantic Assurance
Cannon Assurance
† Address shown under Insurance Property Bond table.

MONEY MARKET

Large assistance

Bank of England Minimum Lending rate 10½ per cent. (since April 23, 1976)

Day-to-day credit was in short supply in the London money market again yesterday and the authorities gave a large amount of assistance by buying Treasury bills from the discount houses. Banks carried forward run-down balances, the authorities held maturing local authority bills, settlement was made of official gilt-edged sales, repayment was made of Wednesday's market advances, and there was a net market take-up of Treasury bills. On the other hand, Government disbursements exceeded revenue payments to the Exchequer, and a fall in the note circulation was also in the market's favour.

Discount houses paid 10-10¼ per cent. for secured call loans in the early part and closing balances were taken at 9-9½ per cent.

In the interbank market overnight loans opened at 10-10½ per cent. and rose to 10½-10¾ per cent. before easing to 9-9½ per cent. and closing at 9⅝ per cent.

Short-term fixed period interest rates showed little change overall. Rates in the table below are nominal in some cases.

May 6 1976	Sterling Certificates of deposit	Interbank	Local Authority deposits*	Local Auth. negotiable bonds	Finance House deposit	Company deposits	Discount market deposits	Treasury bills Φ	Bank Bills Φ	Fine trade Bills Φ
Overnight	—	9-10¼	—	—	—	10¼	9-10¼	—	—	—
2 days notice	—	—	9¾-10	—	—	—	—	—	—	—
7 days or 7 days notice	—	9½-10⅛	9⅞-10	—	—	—	9¾-10	—	—	—
One month	9⅞-9¾	[illegible]	9¾-9⅞	10¼-9¾	9⅞-10½	—	[illegible]	[illegible]	9½	10¼-10⅜
Two months	[illegible]	9⅞-10	—	10⅛-9½	10-10⅛	—	[illegible]	[illegible]	9½	10¼-10⅛
Three months	10-9½	9⅞-10	9⅞-10	10-9½	10¼-10⅜	—	[illegible]	[illegible]	[illegible]	10¼-10⅜
Six months	10-9⅞	9⅞-10⅛	10-10⅛	10-9½	10½-10¾	—	—	—	9⅞	11
Nine months	10¼-10	10⅛-10⅜	—	10⅜-10⅛	10½-11	—	—	—	—	—
One year	10½-10⅜	10⅛-10	10¾-11	10⅝-10⅜	11½	—	—	—	—	—
Two years	—	—	11¾-11⅞	—	—	—	—	—	—	—

‡ Local authority and finance houses seven days' notice, others seven days' fixed. * Longer-term local authority mortgage rate nominally three years 12¼-12½ per cent.; four years 13-13¼reasury bills 9 11/16-9⅝ per cent.; two months 9⅝ per cent.; table are buying rates for prime paper; buying rates for four-month bank bills 9½ per cent.; and four-month trade bills 11-10½ per cent. Approximate selling rate for one-month T per cent.; five years 13½-13¾ per cent. Φ Bank bill rates in and three months 9 25/32 per cent. Approximate selling rate for one-month bank bills 9 11/16 per cent.; two months 9⅝-9 25/32 per cent. and three months 9⅝ per cent.; for one-month trade bills 10½-10⅜ per cent.; two-month 10½-10⅜ per cent.; and three-month 10¼-10½ per cent.

Finance House Base Rates (published by the Finance Houses Association) 9 per cent. from April 1, 1976. Clearing Bank Deposit Rate for small sums at seven days' notice 5¾ per cent. Clearing Bank Base Rate for lending 9½ per cent. Treasury Bill Average tender rate of discount 9.9432 per cent.

هكذا من الأصل

هكتر امن الاحل

AUTHORISED UNIT TRUSTS

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

NOTES

Prices do not include $ premium, where applicable, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ¶ Net of tax on realised capital gains unless indicated by ♦. ‡ Guernsey yield. # Suspended. ‡ Single premium insurance bonds.

REGIONAL MARKETS

A selection of the share prices previously shown under regional headings is presented below with quotations on London. Irish issues, most of which are not officially listed in London, are shown separately and with prices as on the Irish Exchange.

any Inv. 20p	19	—	Craig Ship. £1	320	—	Shiloh Spinn.	26	+4
h Spinning	34	—	Ballam Sleigh 10p	3	—	Sindall (Wm.)	55	—
argent	28	—	Higsons Brew.	97	—	IRISH		
g'wtr. Est. 50p	145	—	I.O.M. Stm. £1	135	—	Alliance Gas (£1)	72	—
ver Croft	30	—	Holt (Jos.) 25p	230	—	Carroll (P. J.)	126	—
ig & Rose £1	327	—	Kleen-e-Ze	22	—	Clondalkin	50	—
son (R.A.)	20	—	Lovell's Ship £1	75	—	Concrete Prods.	55	—
is & McHdy	69	—	Nthn. Goldsmith	89	—	Goodbody (£1)	25	—
ns Fr'k 10p	23	—	P.M.A.	40	−2	Helton (Hldgs.)	27	—
wed	10	—	Pearce (C. H.)	88	—	Irish Distillers	59	+1
Forge	40xd	—	Peel Mills	14	—	Irish Wire	40	—
lay Prg. 5p	15½	—	RobbCaledonia	43	—	Jacob	63	—
& Real Sby.	152	—	Sayers 12½p	13	—	Sunbeam	13½	—
			Sheffield Brick	87	—	Unidare	72	—
			Sheff. Refrshmt.	148	—			

FOOD PRICE MOVEMENTS

	May 6 £	Week ago £	Month ago £
ACON			
Danish A.1 per ton†	960	960	960
British A.1 per ton†	910	910	910
Irish Special per ton†	910	910	910
Polish A.1 per ton†	—	—	—
Ulster A.1 per ton‡	910	880	880
UTTER (packet)			
NZ per 20 lbs†	9.20-9.26	9.20-9.26	8.63-8.69
English per cwt†	47.39-51.83	47.39-49.73	47.39-49.73
Danish salted per cwt†	53.83-55.88	53.40-55.33	51.30-52.75
HEESE¶			
English cheddar white rindless per tonne	—	—	—
NZ per tonne	896.5	896.5	896.5
GGS*			
Home-prod. Standard	3.25-3.50	3.25-3.50	3.65-3.80
Large	3.45-3.70	3.45-3.70	3.70-3.80

	May 6 per pound p p	Week ago per pound p p	Month ago per pound p p
EEF			
Scottish killed sides (ex KKCF)	40.0—43.0	39.0—42.0	38.0—41.0
Eire forequarters	29.0—32.0	29.0—31.0	30.0—31.0
Argentine chilled rumps	—	—	—
AMB			
English	50.0—54.0	50.0—56.0	40.0—46.0
NZ PLs-PMs	32.0—33.5	34.5—38.0	30.0—36.0
ORK (all weights)	26.0—38.0	25.0—38.0	23.0—38.0
UTTON			
English ewes	15.0—20.0	15.0—20.0	18.0—22.0
OULTRY			
Broiler chickens	24.0—26.5	24.0—27.0	25.0—27.0

* London Egg Exchange price per 120 eggs. † Delivered. For delivery May 8-15.

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1976 High	Low	Stock	£	+ or −	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
99½	92⅜	Treasury 6½pc 1976‡‡	99⅛	......	6.56	9.80
98¾	95⅝	Victory 4pc 1976‡‡	98⅝	......	4.04	—
101⅞	99⅛	Treasury 10½pc 1976‡‡	100⅛	+⅛	10.48	10.11
97⅞	95⅜	Treasury 6¼pc 1977‡‡	97⅛	+⅛	6.43	9.76
97¼	94½	Electric 3pc 74-77	95½	......	3.24	6.59
103⅞	92⅞	Treasury 11¼pc '77‡‡	102⅝	+⅛	11.32	10.14
96¼	91⅞	Treasury 3pc '77‡‡	94¾xd	+⅛	3.13	7.12
94⅞	92¼	Transport 4pc 72-77	93¼	......	4.29	8.52
99⅛	90½	Treasury 9pc 1978‡‡	97⅞	+⅛	9.21	10.57
101½	93⅞	Treasury 10¼pc '78‡‡	99⅞	+⅛	10.51	10.61
93½	89⅝	Exchequer 5pc '76-78‡‡	91¼	+⅛	5.48	9.14
103⅞	100¼	Treasury 11¼pc '79‡‡	101⅞	+⅛	11.34	10.90
88⅝	83⅝	Treasury 3pc '79‡‡	87¼	+⅛	3.44	7.34
89¾	73⅞	Electric 4¼pc 74-79	88¾	+¼	4.82	8.23
100⅞	96⅞	Treasury 10½pc '79‡‡	98¾xd	+⅛	10.67	11.65
88¾	83⅝	Electric 3½pc '76-79	87½xd	+¼	4.00	7.60
96⅞	91	Treasury 9pc 1980‡‡	93⅞	+¼	9.58	10.97
96½	92⅞	Treasury 9½pc '80‡‡	94⅞xd	+⅛	10.02	11.14
86	82¼	Treasury 3½pc '77-80	83½	......	4.19	8.32
89¼	71	Funding 5¼pc '78-80‡‡	86½	......	6.07	9.25
103⅞	98	Treasury 11½pc 1981	101⅞	+¼	11.34	11.09
86	80¼	Treasury 3¼pc 1979-81	81½	......	4.29	8.25
95⅝	92	Treasury 9¾pc 1981‡‡	95¼	+⅛	10.25	11.06
		Five to Fifteen Years				
93¼	86⅝	Treasury 8¼pc '80-82‡‡	93¼	+½	9.38	10.73
107¼	99½	Treasury 12pc 1983‡‡	103¼	+½	11.31	11.65
82⅝	73¼	Funding 5½pc '82-84‡‡	80⅝	+½	6.99	9.46
87⅛	79⅝	Treasury 8¾pc '84-86‡‡	87	+⅝	10.09	11.72
74⅞	65⅝	Funding 6½pc '85-87‡‡	71¼xd	+⅝	9.15	11.13
77⅛	71	Treasury 7¾pc '85-88‡‡	77⅛	+⅝	10.34	11.72
51¼	45⅝	Transport 3pc '78-88	50⅛	+⅝	6.11	10.52
59¼	53⅛	Treasury 5pc '86-89	56⅛	+⅝	8.96	11.55
103¼	95	Treasury 13pc 1990‡‡	103¼	+1	13.20	13.10
75⅝	68¼	Treasury 8¼pc '87-90‡‡	75⅝	+1⅛	11.44	12.49
60	53⅜	Funding 5¾pc '87-91‡‡	56½	+⅝	10.27	12.24
		Over Fifteen Years				
99	87⅝	Treasury 12¾pc '92‡‡	99	+1	13.38	13.46
97	85¼	Treasury 12½pc '93‡‡	97	+1	13.43	13.53
96⅛	91½	Treas. 12½pc '93 'A'‡‡	96⅛	+⅞	13.41	13.49
58	50⅝	Funding 6pc 1993‡‡	54¼	+¾	11.24	12.70
75⅞	66⅛	Treasury 9pc '94‡‡	70⅝xd	+1	12.74	13.30
35½	32⅛	Gas 3pc '90-95	33⅞xd	+⅛	8.87	11.82
100	87⅞	Treasury 12¾pc '95‡‡	94¾xd	+1⅛	13.51	13.56
75⅞	66⅝	Treasury 9pc '92-96‡‡	70¼	+1	12.96	13.43
35½	31	Redemption 3pc 1986-96	33½	+⅛	9.03	11.62
101⅛	88	Treasury 13¾pc '97‡‡	101⅛	+1¼	13.62	13.78
102⅞	89¼	Do. 13¾pc '97 'A'‡‡	102¼	+1¼	13.64	13.53
69⅞	61½	Treasury 8¾pc 1997‡‡	68⅝	+1	13.06	13.47
57⅞	50⅛	Treasury 6¾pc '95-98‡‡	53⅞xd	+⅞	12.53	13.32
74⅞	65½	Treasury 9½pc 1999‡‡	74⅝	+1	13.25	13.52
31½	27¼	Funding 3½pc '99-04	30¼	+⅞	11.50	12.74
65	55¼	Treasury 8pc '02-06‡‡	60⅝	+⅞	13.35	13.51
46⅛	39⅝	Treasury 5½pc '08-12‡‡	42¼	+¾	13.13	13.28
60¼	52¼	Treasury 7¾pc '12-15‡‡	59¾	+⅞	13.46	13.50
		Undated				
29⅞	25⅝	Consols 4pc	29⅝	+¼	14.00	—
27⅛	24⅛	War Loan 3½pc‡‡	25xd	+¼	13.33	13.51
25⅞	25¼	Conv. 3½pc '61 Aft.	27⅛	+¼	13.67	13.24
23¼	20⅝	Treasury 3pc '66 Aft.	21⅝	+⅛	14.04	—
19⅝	17	Consols 2½pc	18½	+⅛	13.67	13.85
19½	16⅝	Treasury 2½pc	18	+⅛	14.08	—

**INTERNATIONAL BANK

1976 High	Low	Stock	£	+ or −	Yield Int.	Red.
99¾	98¼	5pc Stock 1976	99⅝	......	7.02	11.57
72½	68½	5pc Stock '77-82	72¼	......	8.03	9.23

**CORPORATION LOANS

1976 High	Low	Stock	£	+ or −	Yield Int.	Red.
89	84½	Birm'ham 9¾pc '79-81	83	+¼	10.80	13.10
97½	57½	Bristol 6½pc '75-77	97⅛	+⅛	6.69	10.54
92½	91¼	Essex 5½pc '75-77	94¼	+¼	5.83	10.92
97⅛	97¼	G.L.C. 6¾pc 1976	99½	+⅛	6.82	9.94
95¾	92⅝	Do. 7¼pc 1977	95¼	+¼	7.61	11.32
102½	93½	Do. 12½pc '82	96⅝xd	+⅛	12.82	13.10
78½	74¼	Herts. 5½pc '78-80	78	+½	6.95	13.25
95⅛	91⅞	Liverpool 7pc '76-77	94½	+¼	7.41	11.41
87¼	79	Do. 9¼pc '80-84	82¼xd	+1	11.81	13.35
26	23	Do. 3½pc Irred.	25½	+¼	14.73	—
90	85¼	Lon. Corp. 6½pc '75-78	89	+¼	7.31	12.19
83	75	Do. 9¼pc '84-85	79	+¼	11.83	13.33
91½	87⅛	L.C.C. 6pc '75-78	91	+½	6.59	11.76
75½	69¼	Do. 5½pc '77-81	73¼	+¼	7.58	12.70
65½	60½	Do. 5½pc '82-84	64¾	+1	8.71	12.92
59	52½	Do. 5½pc '85-87	56¼	+1	10.21	13.73
59	20½	Do. 6¼pc '88-90	58¼	+⅛	12.02	13.90
22½	19¼	Do. 3pc '20 Aft.	21½	+½	14.00	—
93¼	90	Middx. 6¼pc '75-77	93	+¼	6.72	11.22
79¼	74½	Do. 5¼pc 1980	78	+½	6.71	12.58
90½	85½	Newcastle 9¼pc '78-80	88	+½	10.50	12.91
101½	97½	Warwick 12½% 1980	99xd	+½	12.63	12.77

COMMONWEALTH & AFRICAN LOANS

1976 High	Low	Stock	£	+ or −	Yield Int.	Red.
100⅛	92⅝	**Aust. 6pc '74-76	98⅝	+⅛	6.10	9.87
91	85½	**Do. 5½pc '75-78	87⅛	+⅛	6.34	12.03
82¼	78	**Do. 5½pc '77-80	82¼	+⅛	6.65	12.29
74½	69⅞	**Do. 5½pc '81-82	71½	+⅛	7.74	12.59
85⅞	80¼	**N.Z. 4pc 1976-78	86⅝	+⅛	4.71	10.04
85¼	80	**Do. 6pc '76-80	82½	+⅛	7.49	12.36
73¼	67½	**Do. 7½pc '83-86	73¼	+½	10.65	12.80
43	29	Sth. Rhod. 2½pc '65-70	35	......	—	—
62	39	Do. 6pc '78-81	42	......	—	—

LOANS (Miscel.)

1976 High	Low	Stock	£	+ or −	Yield Int.	Red.
51⅛	42½	Agric. Mt. 5pc '59-89	47	+½	10.68	14.18
75½	64½	Alcan 10½pc '89-94	75½	+½	14.61	15.10
100¼	93¼	**FFI 13pc '81	99	......	13.14	13.27
106	99	Do. 14pc 1979	103xd	......	13.57	12.99
65	60¾	ICFC 8¾% Ln. 82-97	65	+½	13.56	14.50
97½	89	Do. 9pc 1977	97½	......	9.51	12.42

CANADIANS

1976 High	Low	Stock	£	+ or −	Div. Gross	Cvr	Y'ld Gr's
13¾	11⅞	Bk. Montreal $2	13¾xd	+⅛	96c	—	3.6
35⅝	29⅞	Bk. Nova Scot. $2	35¾	+⅞	$1.60	—	2.4
41	33¼	Bell Canada 25c	41	+½	$3.44	—	4.4
21⅞	12	Bow Valley‖	20⅝	−⅞	10c	—	0.3
10	860p	Brascan‖	990p	−10	s$1.00	—	5.3
29⅞	19⅞	Can. Imp. Bk. $2	23⅞	+⅞	$1.28	—	2.8
15½	10⅝	Can. Pacific $5	15⅛	−⅛	84½c	—	2.9
29¼	26½	Do. 4pc Deb. £100	28⅝	......	4%	—	13.9
37⅞	21⅝	Gulf Oil Can.‖	28¼xd	+¼	$1.00	—	1.9
670p	520p	Hawker Sid. Can.‖	590p	−10	36c	—	3.2
31	22	Hollinger $5	31	......	$1.80	—	3.0
16⅞	12⅝	Hudson's Bay‖	16⅞	......	60c	—	1.9
33¼	26⅜	Hud. B. Oil G. $2½	33⅛	−⅛	$1.40	—	2.2
20	17	Imperial Oil‖	20xd	......	80c	—	2.1
28¼	28¼p	Inco	29p	+¼	$1.40	—	2.01
810p	660p	Int. Nat. Gas $1	800p	−10	80c	—	5.2
		For Int. Nickel see Inco					
24⅞	16	Massey Ferg.‖	22⅞	−⅛	$1.00	—	2.3
26⅝	20¼	Pacific Pet. $1	26⅞	......	80c	—	1.6
32p	24p	Place Gas $1	28pxd	+1	—	—	—
29½	22⅞	Rio Algom	29½xd	......	$1.00	—	1.8
25⅞	20⅞	Royal Bk. Can. $2	25⅞xd	+⅛	$1.28	—	2.6
25¼	20⅞	Seagram Co. C$1	22½	−⅛	80c	—	1.9
16⅞	13⅞	Tor. Dom. Bk. $1	16⅞	+⅞	70c	—	2.2
10⅞	830p	Trans. Can. Pipe 32½c	10⅛	......	72c	—	2.5
790p	680p	White Pass	745pxd	......	$35c	—	2.4

S.E. List Premium 57¼% (based on $1.7955 per £)

††BANKS AND HIRE PURCHASE

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
250	203	Alexanders D. £1	220	......	11.67	—	8.2	—
£110	£95½	Algemene Fl.100	£102½	......	Q21%	◆	3.6	◆
490	370	Allen Harvey £1	390	+10	25.0	—	9.9	—
128	106	Allied Irish	110	−4	4.06	—	5.7	—
60	40	Anglo Contnl.	41	......	—	—	—	16.5
195	155	Arbuthnot L. £1	185	......	†7.61	—	6.3	—
480	380	Aust. & N.Z. £1	475xd	+2	¶10.01	—	3.3	—
£46¾	£33⅜	BankAmer. $1.125	£44	−½	Q$1.56	—	1.9	—
370	315	Bk. Ireland £1	315	−10	¶12.5	—	6.1	—
£148	80	Do. 10pc Cv. 91/96	£134	......	Q10%	—	†7.5	—
22	21	Bk. Leumi AI£1	22	......	Q16%	—	6.4	—
220	220	Bk. Leumi (UK) £1	220	......	7.25	—	5.1	—
705	590	Bk. N.S.W. $A2	640	......	Q28c	—	2.5	—
325	263	Bank Scotland £1	278	+3	8.87	3.5	4.9	8.9
£29	£23¼	Bankers N.Y. $10	£28¼	−¼	Q$3.00	—	5.6	—
350	272	Barclays £1	298	−2	8.99	4.4	4.6	7.5
46	30	Bates (Edward)	35	−3	—	—	—	—
185	150	Brown Shipley £1	155	+5	g7.54	—	7.5	—
292	247	Cater Ryder £1	252	......	14.40	—	8.8	—
75	62	Clive Dis'nt 20p	68xd	+3	3.8	—	8.6	—
320	235	Com'l Aus. ($A1)	265	......	Q14%	—	3.0	—
£14	£11	Com'zbk DM104	£13½	+⅛	Q17%	—	2.2	—
£27	£20	C'hgn. Hbk. Kr100	£20	......	Q11%	—	4.4	—
11	5	Corinthian 10p	5	......	—	—	—	—
£31½	£19½	Cred. France F75	£19½	−1½	Q9.7%	—	4.1	—
83	68	Dawes (G. R.)	68xd	......	5.25	2.9	11.9	4.5
23½	13½	Dawnay Day	15½	......	0.5	—	5.1	—
43	28	F. C. Finance	43	......	1.5	—	5.4	—
3½	1½	First Nat. 10p	1¾	......	—	—	—	—
5¾	½	Do. Wrrts. 75-83	£0¼	......	—	—	—	—
14½	10½	Fraser Ans. 10p	12½	......	0.76	—	9.4	—
315	245	Gerrard Natnl.	268xd	+8	13.3	—	7.6	—
58	40	Gibbs (A.)	40	......	1.79	—	6.9	—
228	180	Gillett Bros. £1	193	+3	13.0	—	10.4	—
29	20	Goode D't Mry. 5p	20	......	0.79	1.4	6.1	17.6
42	30	Grindlays	41	......	—	—	—	—
200	178	Guinness Peat	199	......	g8.32	—	6.4	—
224	193	Hambros	204	+1	g7.75	—	5.9	—
131	100	Hill Samuel	107	......	‡3.87	—	5.6	—
£16	£10¼	Do. Warrants	£11¼	......	—	—	—	—
350	291	Hong Shng. $2.50	346	−4	tQ58c	—	1.5	—
82	68	Jessel Toynbee	70xd	......	4.16	—	9.1	—
225	160	Joseph (Leo) £1	170	−5	16.42	—	5.8	—
54	39	Keyser Ullmann	41	......	‡1.1	—	‡	—
70	50	King & Shax 20p	55	......	g3.1	—	8.7	—
128	102	Kleinwort B. L.	110	+2	3.46	—	4.9	—
266	210	Lloyds £1	238	......	†7.4	4.2	4.8	8.0
40	27	Mannon Fin. 20p	31	+1	d3.25	1.4	16.1	6.8
147	108	Mercury Secs.	112	......	2.76	—	3.8	—
320	264	Midland £1	288	......	11.47	2.3	6.1	10.7
£84½	£73	Do. 7½% 83-93	£80¼	−1¾	Q7½%	15.0	†7.5	—
£79½	£71	Do. 10¼% 93-98	£79½	......	Q10¼%	15.0	†14.4	—
63	50	Minster Assets	59	......	†2.95	2.4	7.7	8.9
320	258	Nat. Bk. Aust. $A1	280	+5	tQ13%	—	3.3	—
87	65	Nat. Com. Grp.	76	+2	‡	4.8	4.4	7.3
290	225	Nat. West. £1	238	−2	8.55	4.2	5.5	6.7
405	315	Schroders £1	340	......	9.31	—	4.2	—
295	240	Seccombe M.C. £1	253	......	h12.73	—	7.8	—
51	22	Slater Walker	24	......	‡15.61	—	36.0	—
75	52	Smith St. Aub.	65xd	......	4.08	—	9.6	—
494	360	Stand'd Chart. £1	428	+6	h15.75	3.0	5.7	7.8
57	6¼	Trade Dev. $1.50	57	......	Q44c	3.0	6.3	5.3
62	40	Tst. Bk. Afr. 50c	52	......	Q14%	◆	8.0	◆

BUILDING INDUSTRY—Continued

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
116	83	Int. Timber	92	......	5.17	—	8.6	—
29	14½	Ireland Ernest	16	......	‡2.32	—	‡	—
35	25½	J.B. Holdings 5p	33	......	0.88	8.0	4.2	4.6
27	23	J.C.E.G.	25	......	†1.58	3.0	8.9	5.8
140	120	Jarvis (J.)	125	......	†7.14	2.8	8.8	6.3
170	127	Jennings SA0.50	158	......	‡Q20c	3.3	‡	6.9
260	218	J'nson Ricd. 50p	225	......	†5.32	7.4	3.7	5.7
12½	10	Jones Edwd. 10p	10	......	h0.85	2.2	12.8	5.4
15	12	Jovial Prods. 10p	14½xd	......	$1.0	—	‡	—
13½	11	Kenkast 10p	12	......	—	—	—	—
37	27½	Kent (M.P.) 10p	32	......	†1.71	4.0	8.2	4.6
£39	£30	Lafarge S.A. F100	£38	−1	Q15%	2.2	4.3	10.6
26	19	Lafarge Org.	25	......	0.67	◆	4.1	◆
128	100	Laing (John) "A"	109xd	−1	1.77	◆	2.6	◆
150	135	Latham Jas. £1	140	......	†6.91	2.9	7.6	7.0
11	6	Lawdon 10p	6½xd	......	‡0.52	—	‡	—
74	64	Lawrence (W.)	72	......	4.25	2.8	9.1	6.1
15	11	Leaderflush 10p	13	......	0.33	—	3.9	—
40	25	Leyland Paint	40	+1	—	—	—	13.7
62	53	Lilley F.J.C.	56	−2	1.77	◆	4.9	◆
23	15	Liner C. M'ch 10p	19½	......	‡1.17	6.2	9.2	4.9
64	50	London Brick	53	......	2.63	2.9	7.6	6.9
58	42	Lovell (Y. J.)	53	......	2.11	5.0	6.1	5.0
60	51	McNeill Group	51	......	2.62	5.3	7.9	3.6
178	156	Magnet & Sthns.	168	......	n5.0	2.8	4.6	11.7
46	35	Malinson (Wm.)	42½	+½	‡1.87	3.5	6.8	7.0
44	35	Manders (Hldg.)	40	......	2.07	◆	8.3	◆
130	103	Marchwiel	114	......	‡2.77	6.7	3.7	6.2
109	98	Marley	101	......	3.04	2.9	4.6	11.1
88	72	Marshalls (Hfx.)	82	......	4.26	2.5	8.0	7.7
95	70	May & Hassell	75	......	†2.29	8.2	4.7	4.0
40	22	Mears Bros.	34	......	1.62	◆	7.3	◆
66	58	Melville D. & W.	62	......	3.35	◆	8.5	◆
76	68	Meyer (Mont. L.)	71	−1	‡3.75	3.9	8.1	12.8
70	56	Milbury	60	......	†1.92	1.3	4.9	24.0
23	19	Miller (Stan) 10p	21	......	1.73	◆	12.7	◆
78	51	Mixconcrete	66	......	12.86	◆	6.7	◆
41	37	Mod. Engineers	37	......	d2.81	2.2	11.7	5.9
56½	47	Monk (A.)	47	−1	3.93	1.1	12.9	10.2

HOTELS—Continued

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
58	50	Isle of Man Assc.	50	......	Q3.13	◆	[illegible]
44	41	I.O.M. Ent. 20p	43	......	1½	2.5	[illegible]
150	147	Kursaal (M'E) £25	150	......	†Q40%	◆	[illegible]
116	95	Ladbroke 10p	103	......	4.12	[illegible]	[illegible]
47	33	Leisure Gen. 10p	40	......	g1.73	[illegible]	[illegible]
*102½	107	Lyons (J.) £1 "A"	108	−1	b7.57	1.0	[illegible]
£86	£73	Do. 7½pc Cnv. 1981	£74	......	Q7½%	[illegible]	[illegible]
6⅛	3¾	Mt. Charlotte 10p	3½	......	0.06	—	[illegible]
63	52	Myddleton 50p	60	......	3.62	1.7	[illegible]
14	10	Norfolk Cap. 5p	12	......	0.2	1.2	[illegible]
23	19	North (M. F.) 10p	23xd	......	0.73	◆	[illegible]
30	23½	Pontin's 10p	27	......	‡0.5	1.1	[illegible]
55	40	Prince of Wales	40	......	d2.28	—	[illegible]
9	7	Queen's Moat 5p	7	......	‡d0.53	2.1	[illegible]
80	67	Rowton Hotels	73	......	¶4.69	1.7	[illegible]
35	20	Savoy "A" 10p	28	......	0.50	—	[illegible]
28	19	Stakis (Reo) 10p	20½	......	0.83	2.7	[illegible]
27	19	Stanneylands 10p	21	......	1.9	1.5	[illegible]
15	9½	Swap Ryan 5p	10	......	0.81	2.1	[illegible]
*125½	95	Trust H. Forte	95xd	−1	g7.35	0.9	[illegible]
20	16	Warner Hols. 'A' 10p	17	......	‡1.04	3.3	[illegible]
100	93	Wheeler's 10p	100	......	¶4.33	2.9	[illegible]

INDUSTRIALS (Miscel.)

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr
171	151	A.A.H.	165	......	19.1	2.9
116	80	AD Int.	102	−3½	†2.27	3.9
45	39	AGB R'arch 10p	41	......	†h1.93	3.8
69	57	A.V.P. Inds.	68½	......	2.40	4.7
61	48	Aaronson Bs. 10p	52	+1	1.60	2.4
28	20	Abbey Ltd.	25	......	‡2	◆
17	14	Abrasives Int. 10p	16	......	1.4	1.8
137	132	Airfix Inds. 20p	132	......	†2.79	4.5

HOTELS AND CATERERS

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
10½	6	Adda Int. 10p	10	......	—	—	—	—
£87	£75	Borel (J.) Fr.100	£77	......	‡Q12.45	◆	1.8	◆
50	37	Brent Walker 5p	49	......	0.94	3.2	2.9	16.5
26½	18	Centre Hotels 10p	22xd	+1	h0.96	2.8	6.7	6.9
36	29	C.C.H. Invest.	35	......	—	—	—	—
83	75	DeVere Hotels	80	......	d3.82	◆	7.5	◆
88	67½	Grand Met. 50p	71	......	3.46	2.3	11.3	9.1
£109	£86	Do. 10pc Cnv. 91-96	£91½	+½	Q10%	4.4	10.9	—

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
46½	26	Horizon Mdls. 5p	36	......	2.58	4.8	11.0
71	55	Hoskins & H. 20p	71	+2	4.25	◆	9.6
23	16	Howard Ten. 20p	19	+½	1.69	1.5	13.7
91	75	Hunting Assoc.	86	−2	2.4	◆	4.3
76	54	Huntleigh 10p	55	......	1.92	◆	5.5
56	32½	Hutch. Int. $HK2	51½	−½	—	—	—
14	5¾	Hyman (I. & J.)	11½	......	d0.16	◆	2.2
359	313	Imp. Cont. Gas £1	350	−3	†7.98	2.2	3.5
51	43	Ingleton Lamb	45	......	†3.04	2.1	10.4

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[illegible]

INDUSTRIALS—Continued

1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
18	Ingall Inds. 10p	22	......	†h1.44	1.7	10.1	8.7
57½	Initial Services	65	......	†3.37	2.2	8.0	8.8
11¼	Inter-City 20p	13	......	†0.4	3.1	4.7	9.7
10	Int. Computers £1	246	−2	0.65	32.9	0.7	6.8
25	James (John)	26½	......	†d2.12	1.3	12.3	8.2
25	James (M) 10p	26	......	d2.41	1.1	14.3	9.6
196	J'rdine M. HK$5	394xr	−11	Q63c	◆	1.6	◆
8¾	Jentique 5p	9	......	†0.49	2.4	8.4	7.7
13	Johns'n & B. 12½p	13	......	hd0.78	1.4	10.5	(8.2)
32	Johnson Clnrs.	35	+½	2.32	2.3	10.2	6.6
325	Johnson Mth. £1	383	......	10.23	4.5	4.1	8.3
23	Judge Int.	25	......	1.85	1.7	11.4	7.9
19	Kalamazoo 10p	22½	+½	1.57	1.4	10.8	10.2
45	Kelsey Ind. 12½p	46	−1	2.63	3.5	8.8	5.0
14	Kennedy Sm. 10p	17	......	1.38	1.9	12.5	6.6
325	Kershaw (A.) 5p	660	−15	12.81	0.6	3.0	117.9
160	Kleeman	160	−25	4.16	5.6	4.0	6.9
27	Kode Int.	41xd	......	1.33	3.3	5.0	9.4
61	L.C.P. Hlds	74	......	†3.9	2.4	8.1	10.9
22	L.K. Ind. Inv.	26	......	2.14	◆	13.2	◆
41	L.R.C. Int. 10p	42	−1	†2.0	1.1	7.3	18.8
69	Lamson Inds	87	−1	2.5	2.2	4.4	16.1
20	Lawtex	20	......	‡2.58	2.0	‡	—
118	Lead Inds. 50p	152xd	+1	5.09	◆	5.2	◆
55	Leadenhall Stg.	60	......	†3.32	2.4	8.5	6.3
42	Le Bas (Ed)	61xd	......	1.48	13.3	3.7	3.1
39	Lebaff Fobel 10p	39	......	†1.48	4.2	5.8	11.1
42	Lebus Harris	51	−3	2.93	3.2	8.8	4.0
27	Leigh Ints. 5p	32	......	0.83	◆	4.0	◆
73	Leisure Car. 10p	80	......	†4.82	1.7	9.3	10.8
113	Lep Group 10p	113	......	2.54	5.9	3.5	6.6
37	Lesney Prods. 5p	64	+1	¶2.34	◆	5.8	◆
61	Letraset 10p	74	......	†2.54	4.6	5.3	12.4
8½	Liden 10p	12	......	—	—	—	—
31	Light & Leis. 10p	37½	......	†2.0	3.7	8.4	8.6
16	Lindsay & Wms.	16	......	‡3.06	3.6	‡	1.4
57	Lindustries	65	......	†3.76	3.4	8.9	4.8
26	Lipton (L.)	26	......	‡2.4	2.0	‡	5.3
36	Lon. & Nthn. Grp.	39	......	3.35	1.7	13.2	6.6
12½	Long Hambly. 10p	16xd	......	†1.29	2.0	12.4	6.7
29	Longton Trans.	35	+1	†2.84	1.9	12.5	6.4
50	Lonsdale Univsl.	55	......	3.77	2.3	10.5	6.3
140	Low & Bonar 50p	150	+2	8.87	2.3	9.1	5.9
40	MK Refrig'n 10p	70	−1	d2.51	3.7	5.5	7.6
36	M.Y. Dart 10p	39	......	†1.37	4.7	5.5	6.8
13	Macarthy Ldn. 10p	15	+1	1.47	1.1	15.1	9.1
82	Mc'rthy Ph. 20p	85	......	†3.52	2.8	6.4	9.5

††INSURANCE

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
*86	71	Bowring (C.T.)	79	......	†2.64	2.6	5.2	12.9
98	82	Brentnall Bd. 10p	98	......	†3.43	2.7	5.4	13.0
156	134	Britannic 5p	134	−2	7.47	—	8.6	—
950	720	Comb. Ins. Am.$1	820	−5	†Q66c	—	4.1	—
158	126½	Comm. Union	129	−2	6.77	—	8.1	—
144	119	Eagle Star	128	−3	4.99	—	6.1	—
£128½	£122	Excala UK 9%Cnv.	£125	−1	Q9%	—	7.4	—
184	166	Equity & Law 5p	172	−4	5.44	—	5.0	—
190	156	Gen. Accident	173xd	......	5.81	—	5.2	—
225	195	Guardian Royal	204	−3	8.27	—	6.2	—
405	272	Heath (C.E.) 20p	405	+3	¶13.0	◆	5.0	◆
168	143	Hogg Robinson	166	−2	†h3.23	3.7	3.0	13.7
164	126	Howden (A.) 10p	163	−1	2.47	4.8	2.3	12.3
148	129	Legal & Gen. 5p	132	−2	4.65	—	5.4	—
136	94	Les. & Gdwn. 10p	136	+2	3.69	◆	4.3	◆
140	110	Lon. & Man. 5p	110	−2	4.64	—	6.5	—
63	52	London United 5p	58	+2	3.42	1.8	8.7	9.8
216	154	Matthew Wr. 20p	214	−1	8.04	2.0	5.9	13.2
134	100	Minet Hldgs. 20p	134	......	3.39	2.3	3.9	16.8
250	214	Pearl 5p	214	−6	10.24	—	7.4	—
240	204	Phoenix	220	−4	8.42	—	6.0	—
148	133	Provident "A"	137	......	6.65	—	7.5	—
148	133	Do. "B"	137	......	6.65	—	7.5	—
146	130	Prudential 5p	132	−1	5.41	—	6.3	—
130	114	Refuge 'B' 5p	114	......	6.83	—	9.2	—
352	304	Royal	322	−2	13.39	1.2	6.4	20.2
280	238	Sedg. Forbes 10p	280	......	7.81	1.7	4.3	20.4
*113	84	Stenhouse	112	......	†3.63	2.0	5.0	15.7
470	423	Sun Alliance £1	433	−2	16.4	—	5.9	—
98	86	Sun Life 5p	88xd	......	12.79	—	4.9	—
870	695	T'sho. M'ne. EDR.	795	......	Q11%	—	1.1	—
157	150	Trade Indem.	155	......	6.83	—	6.8	—
£26½	£20⅞	Travelers $2.50	£25¼	−⅛	Q$1.08	—	2.2	—

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
36	22	Brit. Leyland 50p	29	−1	—	—	—	—
305	230	Gen. Mtr. Units	305	+5	12c	1.8	2.0	27.4
30	21	Lotus Car 10p	30	......	‡2.0	1.1	‡	—
9¾	7¼	Reliant Mtr. 5p	7½	......	0.17	5.6	3.6	7.7
*69	53½	Rolls-Royce Mtrs.	60	−½	†3.5	2.0	9.0	8.4
£29	£21½	Volvo Kr50	£29	......	Q12%	1.4	2.2	34.3

Commercial Vehicles

MINES—Continued

FAR WEST RAND

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
710	350	Blyvoor 25	520	−20	‡Q100c	1.3	‡
£14	785	Buffels R1	£10	−¼	Q180c	1.4	10.7
198	95	Deelkraal R0.20	130	−10	—	—	—
760	330	Doornfontein R1	390	−10	‡Q110c	1.4	‡
965	640	East Drie R1	825	−30	Q75c	1.7	5.4
280	160	Elandsr'd Gld Mng 20c	200	−18	—	—	
190	115	Elsburg R1	135	−11	Q35.8c	1.0	14.8
£16½	£11¼	Hartebeest R1	£14¾	−½	Q215c	1.4	9.0
695	430	Kloof Gold R1	520	−35	Q55c	1.4	6.3
760	400	Libanon R1	455	−25	‡Q110c	1.9	‡
740	335	Southvaal 50c	525	−15	Q8c	1.3	0.9
245	140	Stilfontein 50c	210	−10	Q36c	2.2	7.3
£20½	£10¾	Vaal Reefs 50c	£14¾	−½	Q175c	2.1	7.0
420	190	Venterspost R1	205	−20	‡Q70c	1.9	‡
£35	£19¾	W. Drie R1	£24¾	−½	‡Q485c	1.2	‡
315	165	W'st'rn Areas R1	220	−25	Q52c	1.4	14.0
£15¼	775	Western Deep R2	975	−67½	Q147½c	1.6	9.0
290	190	Zandpan R1	245	−10	Q35½c	1.0	8.6

O.F.S.

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ◆ Figures or report awaited.
- †† Banks and Insurance: reserve allocations may preclude calculation of dividend cover.
- ø Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue; cover relates to previous dividend or forecast.
- ** *Free of Stamp Duty.*
- ◆ Merger bid or reorganisation in progress.
- ◆ Not comparable.
- ◆ Same interim; reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. *No P/E ratio usually provided.*
- ♥ Excluding a final dividend declaration.
- ♦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend. *P/E ratio based on latest annual earnings.* u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z *Dividend and yield include a special payment: Cover does not apply to special payment.* A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. K Figures based on prospectus or other official estimates for 1976-77. M Figures based on prospectus or other official estimates for 1976. N Dividend and yield based on prospectus or other official estimates for 1976. Q Gross. T Figures *assumed. U No significant Corporation Tax payable.* Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

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FINANCIAL TIMES

Friday May 7 1976

Callaghan rules out an early election

BY RICHARD EVANS, LOBBY EDITOR

MR. JAMES CALLAGHAN, the Prime Minister, moved quickly yesterday to kill speculation that the Government was thinking of calling an early general election following its loss of an overall majority in Parliament.

The flurry of speculation was started by Mr. Michael Foot, Lord President of the Council, in off-the-cuff remarks at a Labour Party meeting in Slough on Wednesday night. He was reported to have said that he wanted to see as quickly as possible "a new general election in which we can get a full and proper majority in the Commons."

Mr. Foot, an influential voice in the Cabinet after his impressive showing in the leadership contest, argued that an election was the only way of dealing with the fundamental problems of the country. "I do not believe we can do everything we want without any majority at all," he added.

Mrs. Margaret Thatcher, the Conservative leader, pounced on the remarks in the Commons yesterday when she challenged the Prime Minister to take Mr. Foot's advice and call an early election. "June is a good month for the Tories, as he will recollect," she added.

Mr. Callaghan, who has previously claimed that his administration could continue for a further 2½ years, retorted: "The country has this week won a battle against inflation but we have not yet won the war. I hope the Conservative leader will cease to think about a General Election until that war has been overcome."

Later it was emphasised that the Prime Minister is not yet considering the timing of an election, but clearly everything will depend on the future economic and employment situation and the Government's ability to get its legislative programme through Parliament.

It was confirmed last night that Ministers have conceded the Opposition case for parity on Standing Committees considering Government Bills, and this could make it more difficult to get controversial legislation through unscathed.

Mr. Foot tabled a motion after discussions with all Opposition parties that there should be parity despite the Committee on Selection ruling last week that Labour should retain its majority.

The concessions mean that there is now little likelihood of a campaign of wrecking tactics by the Opposition. A blockade of Government business had been planned if Ministers had insisted on retaining the Labour majority on the committees.

It was such a blockade Mr. Foot thought would justify calling an early election, although he was reported to be surprised yesterday at the furore over his remarks.

The point he was making, it was emphasised, was that it was perfectly possible for the Government to carry on for a long time, provided it could get its legislation through.

Tory leaders continued to back autumn 1977 as the most likely date for the next election, although they stress how much they would welcome an earlier opportunity to return to power.

One of the major prizes of an early victory would be the ability to kill controversial Bills now going through Parliament, including the pay beds legislation, the Education Bill, the Dock Work Regulation Bill and the nationalisation of the aerospace and shipbuilding industries.

Officially, the Government is now in a Commons minority of three, but it can rely on the support in most instances of two Independent Northern Ireland MPs who do not take the party Whip but sit on the Government benches.

There are two by-elections pending in Labour constituencies and there is also the problem of two Labour MPs who have joined the unrecognised Scottish Labour Party and whose vote cannot be relied upon.

Parliament, Page 14

Pledge by Heseltine

Mr. Michael Heseltine, Shadow spokesman on industry, told the Commons standing committee discussing the Aircraft and Shipbuilding nationalisation Bill that all or part of both industries would be returned to private enterprise under a future Conservative Government.

"It is the intention of the Conservative Party to unscramble those corporations (British Aerospace and British Shipbuilders) and to return to the private sector all or parts of those corporations at the earliest opportunity."

Lancashire pit men reject pay proposals

BY ROY ROGERS, LABOUR CORRESPONDENT

THE NEW PAY policy agreement between the Government and the TUC had a mixed reception yesterday. Delegates from the largest Civil Service union and the Lancashire miners came out against it and leaders of the Electricians and Construction workers' unions pledged support.

The only surprise came from the traditionally-moderate Lancashire miners, who decided by a margin of four votes to oppose the policy.

A few hours later the Lancashire miners' conference gave a standing ovation to Mr. Lawrence Daly, general secretary of the National Union of Mineworkers and a member of the TUC general council, who made an impassioned speech in defence of the TUC wage guidelines. Had their leaders waited till after Mr. Daly's speech to take the vote, the decision could well have been reversed.

Murray drive

Expressing disappointment at the conference vote, Mr. Daly went on to emphasise the difficulty there would be in selling the proposals to miners and many others. He later condemned the £100 a week demand being drawn up by NUM militants and predicted that if the new policy was put to a secret pit-head ballot it would be approved by a "substantial" majority.

At the same time, Mr. Arthur Scargill, the militant Yorkshire NUM president who will spearhead calls for £100 a week for coal face workers at the July NUM conference, issued a statement urging "every miner and every trade unionist to oppose the policy and ensure its defeat."

To-day Mr. Len Murray, TUC general secretary, is to address the Lancashire miners as part of a major campaign aimed at securing a majority for the pay package when it goes before a special TUC congress in mid-June. Mr. James Callaghan, the Prime Minister, and Mr. Denis Healey, the Chancellor of the Exchequer, and other Ministers, are also due to promote the policy at union conferences over the next few weeks.

All the indications are that there will be a massive majority in favour of the policy—5 per cent. increases subject to a floor of £2.50 and ceiling of £4 a week—at the June Congress.

At their Margate conference delegates representing the 215,000 strong Civil and Public Services Association confirmed their traditional opposition to any form of wage restraint although a decision on how the union should vote at the special mid-June Congress on the policy will be left until the proposals have been considered by the union's branches.

Further criticism of the policy came from the Bournemouth conference of the Technical and Supervisory Section (TASS) of the Amalgamated Union of Engineering Workers, which passed a resolution deploring the TUC general council's decision to agree with policies which "reduce the standards of the working people."

But backing for the pay guidelines came from the executive of the Union of Construction, Allied Trades and Technicians and in a powerful speech from Mr. Frank Chapple, general secretary of the Electrical and Plumbing Trades Union who warned delegates to the union's engineering section conference that the failure of the policy would lead to an immediate general election, a run on the pound and a further fall in living standards.

Conference reports, page 13

THE LEX COLUMN

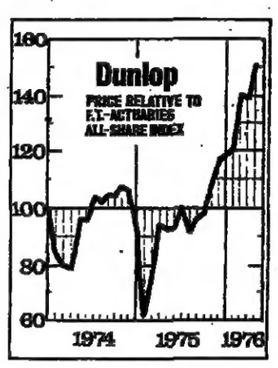
Confidence grows at Dunlop

Index fell 2.8 to 417.8

There was precious little encouragement from sterling for the gilt-edged market yesterday but although that may have restrained the shorts it did not prevent a burst of enthusiasm in the longs. The Government broker apparently supplied around £100m. of the long tap, half at £95¾ and half at £96. If he is going to continue to lead the market up in quarter-point steps that might be regarded as moderately bullish. But the yield curve is getting rather flat.

Dunlop

Dunlop's share price has substantially out-performed the market over the last year, and the 1975 results show why. Attributable profits have risen from £5.3m. in the first half to £9.7m. in the second, taking earnings for the year up by a half to 14.7p per share. Behind this acceleration lies a sharp improvement in the Pirelli



associates, notably cables in South America and the U.K. Elsewhere, Dunlop's tyre profits are up by a quarter despite a fall in the U.K., and that comfortably offsets declines in other areas. So pre-interest profits are just over an eighth higher—and stable interest costs coupled with lower tax and minorities charges (following a loss in France) have had a dramatic gearing effect.

In addition, overall borrowings have dropped from 68 to 61 per cent. of shareholders' funds, and Dunlop says that its version of Sandilands accounting throws up earnings of 4.4p per share, excluding any holding gains. This covers the dividend, which has gone up a tenth to 5½p per share compared with 8½p back in 1971.

For 1976, capital spending is scheduled to bounce from £29m. to £42m., which is one measure of the group's new confidence. Profits are higher after the first quarter, with recovery under way in the U.S. and France, and the hope is that the U.K. will be turning upwards by the second half. Of course, it would be dangerous to get carried away by one set of good figures. But the market does not seem to be too far out on a limb with a yield of 6 per cent. at 93p.

Unlisted stocks

At the peak of the boom last summer, turnover in Siebens under the Stock Exchange's rules for unlisted securities was said to be running at £1m. a day, and the price was leaping about in the most remarkable way. Under such circumstances, the requirement whereby the authorities have to give prior approval to each deal becomes a mere formality.

So the change in the rules is thoroughly welcome. Prior approval will no longer be necessary for dealings in unlisted mineral exploration companies. But the companies concerned will have to appoint a broker, who will be responsible for channelling price sensitive information to the marketplace. It will have to declare that its ultimate aim is to get an official quote. And it will not be allowed to procure the publication of its share price in a way that might suggest that it already has a listing. The corollary is that if companies are unwilling to comply with this new rule, then dealings under the existing arrangements should be severely restricted.

Nat. & Commercial

National and Commercial Banking is continuing to show solid recovery with first half operating profits up more than a quarter on the corresponding half to £25.8m. and some 17½ per cent. better than in the immediately preceding six months to September. There are no additional provisions, after charges of £3m. and £7m. in the two halves last time, and with a[illegible]ciated companies improv[illegible] modestly pre-tax profits em[illegible] at £28.3m. against the peak [illegible] half total of £31.1m. two y[illegible] ago and the £37.2m. returned [illegible] the whole of 1974-75.

Although the extra [illegible] momentum of the Scot[illegible] banks has tended to peter [illegible] recently (Williams and Gl[illegible] improved almost as fast as Royal Bank of Scotland in [illegible] first half) the group's acco[illegible]ing period allows the benefit [illegible] wider margins and hi[illegible] interest rates to show up sha[illegible]—favourable base rate m[illegible]ments took place early [illegible] October. All the time, [illegible] current accounts have [illegible] building up and wholesale [illegible] sources declining.

Operating profits may have reached something [illegible] plateau until such time as [illegible] demand picks up, but earn[illegible] could nevertheless be up [illegible] 7.8p to some 12p this year. [illegible] the capital base is strong enou[illegible] to make an early rights [illegible] unlikely. The yield of 4.6 [illegible]cent. is restrictive, however [illegible] 76p.

Chemicals

The world chemical cycl[illegible] now picking up quite stro[illegible] and is definitely wor[illegible] through to profits by first q[illegible]ter statements from [illegible] Hoechst and Akzo yester[illegible] The former reports world s[illegible] 7½ per cent. higher than [illegible] year's quarterly average and [illegible] group is now working at a[illegible] 80 per cent. of capacity agai[illegible] 65 per cent. on average in 1[illegible] Consequently, the parent's [illegible] quarter pre-tax profits [illegible] DM215m. are nearly 54 per c[illegible] higher than last year's aver[illegible] and Hoescht is now back to [illegible] same level of profitability a[illegible] 1973.

Akzo, which is much m[illegible] dependent on fibres, still [illegible] a long way to go to anyth[illegible] like a full recovery, though [illegible] least it is now back into [illegible] black with first quarter pre-[illegible] profits of Fls.65.3m. Akzona [illegible] the U.S. has been particula[illegible] strong but there is also a "d[illegible]inct" improvement in chemi[illegible] products and reduced lo[illegible] from Enka's fibre intere[illegible] Both groups, however, highli[illegible] continued problems in [illegible] fibres market with Hoescht, [illegible] example, urging further p[illegible] rises of up to 20 per cent.

Equity bank to be set up by three major merchant banks

BY MARGARET REID

THE launch, expected next week, of the "equity bank"—Equity Capital for Industry—will be in the hands of three of the Citys' major merchant banks, Hill Samuel, Lazard Brothers and Morgan Grenfell.

Finishing touches are likely to be put to-day to the plans and prospectus for the long-discussed ECI, which will channel new capital to companies unable to raise it on the stock market.

An important role to be fulfilled by the three banks will be the formal application to a wide range of investing institutions for commitments to subscribe to the £50m. share capital of ECI. Signs are that institutions will be given the opportunity to take up more than the proportion of capital originally earmarked for them should others prefer to play no part in the controversial venture.

It is believed that, even if the full £50m. is not subscribed for at the start, ECI will be created, so long as the backing promised adds up to a reasonably large proportion of £50m.

On this basis, it is now considered in the City to be certain that the venture will be successfully launched, despite a considerable volume of opposition to the concept from a number of institutions, notably some Scottish insurance concerns.

A high-ranking Board, probably 13 strong, is expected to preside over ECI, headed by Lord Plowden, who is retiring as chairman of Tube Investments. Two very prominent industrialists are also to be directors.

It seems likely that Mr. Ernest Bigland, who has chaired the City working party which has prepared the ECI scheme, will be among three directors drawn from the insurance world.

A prominent executive of a major life insurance company is also expected to be on the Board, as are three representatives of pension funds and one director each from the investment trust and unit trust worlds.

Another prominent City figure concerned with the finance of companies, and a chief executive, are expected to complete the ECI Board.

Special consideration has had to be given in the planning of the ECI project to the situation of the pension funds, whose tax position, as gross funds, is somewhat different from that of other institutions.

To cater for the position of these funds, a section of the ECI capital, probably about a third, will be separately designated and will have a special character as a type of fixed-size unit trust.

Exchange eases rules to help N. Sea deals

BY MARGARET REID

THE Stock Exchange has relaxed its quotation rules in a way which will allow the shares of North Sea and other mineral exploration companies to be more readily dealt in on the Stock Exchange, subject to conditions about the provision of key information.

The concessions will make it easier for the concerns in question—often those formed by groups of investors and institutions—to raise substantial capital for their activities before they have progressed far enough to qualify for a full listing.

The move reflects the Exchange's wish to be helpful towards North Sea exploration and development by newer and smaller companies. It has "had very much in mind the national importance of these companies if indigenous resources are to be exploited to the full."

However, as a condition of applying the relaxation, which will remove the requirement for each share deal to be given its approval, the Exchange will require undertakings about the earliest possible disclosure of new information on drilling and other developments which could affects the share price. The strictest security over such information will be insisted on.

The revised arrangement, which is to operate under a new sub-rule 163(3) of the exchange, will allow comparatively free dealings in shares of the companies which receive approval for the purpose. Under the existing rule 163(2), consent has hitherto been needed for each separate deal. Contract notes for share deals under Rule 163(3) will have to carry the statement: "This company has not satisfied the requirements for admission to the Official List."

The concession will be available to mineral exploration companies which intend eventually to seek full listing, but which want an intermediate period of freer trading for their shares before they can meet all the normal conditions

Imports curbs sought as car sales rise

BY TERRY DODSWORTH AND KEVIN DONE

FURTHER INDICATIONS that the car market has bottomed out of the depression and is following the rising Continental pattern of sales came yesterday with official figures showing that in April they were 24 per cent. up on 12 months earlier.

The figures show also that imports remain at a high level. In an outspoken interview yesterday Sir William Batty, president of the Society of Motor Manufacturers and Traders, hinted strongly that he would like to see immediate import controls on Japanese cars.

The gentlemen's agreement between the society and the Japanese manufacturers on curbing imports had not worked effectively, he said. The Government was being too lethargic in its approach to Japanese imports, which should be limited to 9 per cent. of the market.

"The Japanese have completely taken over our British motorcycle market, and this cannot happen to the car and commercial vehicle industry. There has to be a level above which they cannot be allowed to go."

In a reference to the quota systems imposed by Australia and Italy against Japanese cars he said: "Australia has faced it, Italy has faced it, and Britain must face it."

Sir William's comments, made after the motor traders' annual meeting, will reopen the bitter argument of last year, after the car industry lodged its anti-dumping application against the Japanese.

Last night in a joint statement the two largest Japanese importers, Datsun U.K. and Toyota, said: "Sir William Batty is totally incorrect in his statement that the Japanese are flooding the country with cars." The companies quoted figures showing that the Japanese market share had dropped in the first three months of the year, and at 8.8 per cent. had fallen below the 9 per cent. cut-off point suggested by Sir William.

PROVISIONAL APRIL (registrations)

	Units	%
British Leyland	31,688	26.6
Ford	34,668	29.1
Chrysler	7,219	6.05
Vauxhall	9,402	7.9
Datsun	5,947	5.0
VW/Audi	4,207	3.53
Renault	4,639	3.9
Fiat	3,894	3.26
Total	119,178	100.00

There is no doubt that Sir William was echoing the extreme anxiety of the motor industry over imports from Japan and Eastern Europe, regarded as "difficult" export markets—as opposed to the EEC.

These worries have been heightened again in recent months by British Leyland's failure to produce sufficient cars, a particularly embarrassing fact when the market is moving back into the industry's favour.

After yesterday's preliminary figures, released by the motor traders, some industry experts have completely abandoned earlier pessimistic forecasts and are upgrading sales estimates for the full year from 1.1m. cars to 1.3m.

Sales in May have continued high, and Ford said yesterday that its orders were running at two-and-a-half times the level of the same period last year.

Ford again topped the registrations table last month, the fifth time in seven months. Its production is running at about 2,000 cars a day, and its recent performance clearly raises the question whether it can permanently take over the Number One slot in the British market.

Both Vauxhall and Chrysler sold more cars last month than in April 1975. But their performance owed much to imports: Vauxhall's to the Cavalier from Belgium, and Chrysler to the Alpine and other Simca models from France.

U.S. puts commodity bank plan

NAIROBI, May 6.

THE U.S. to-day put forward a far-reaching programme for boosting the economies of developing countries, with an international resources bank as the centre-piece.

Secretary of State Henry Kissinger, in an hour-long speech to the UN Conference on Trade and Development (UNCTAD), outlined what he called a major effort by the U.S. to deal on a comprehensive basis with commodity issues.

Soon after, however, France rejected the U.S. proposals, introducing an acrimonious note on the second day of the conference. The French made a counter-proposal which they claimed was pragmatic rather than theoretical.

M. Jean-Pierre Fourcade, French Economy and Finance Minister, said the world did not need yet another organisation, that commodity buffer stocks could be financed through existing and new mechanisms such as a central fund — and that protection for investment in developing countries could be secured through the World Bank, whose capital should, in any case, be increased.

"Let us not give in to the illusion that we can solve problems by creating new organisations," M. Fourcade added. The Minister described Dr. Kissinger's address as political, philosophical, theoretical and moral.

Dr. Kissinger said that the resources bank would channel large-scale private investment into the development of natural resources in the Third World, through the sale of commodity bonds and would have an initial capital of $1bn.

High cost projects such as mining of iron ore and non-ferrous metals are the main target of the bank, according to U.S. officials, but Dr. Kissinger made clear to-day that, if necessary, the resources bank could be used to finance buffer stocks of other commodities.

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Shell/Esso

that have. The statement was repeated in Houston, Texas, this week by Mr. Clarence Tuck, Permanent Under-Secretary at the Department.

Mr. Bell said it would be "rather disastrous" if this one factor became a paramount issue. He hoped the Government would judge Shell/Esso on its large success record which had been in the national interest as well as on their involvement in a much larger sphere than just exploration and production.

At a time when the Government is looking towards those companies with financial and technical muscle to undertake the next phase of offshore development, Shell and Esso have emphasised their achievements and capability through [illegible] programme.

In the southern sector of the North Sea, Shell/Esso are already supplying about 30 per cent. of total U.K. gas consumption, while in the northern sector much of the emphasis is being placed on Brent.

By the early 1980s Brent is expected to reach a peak production rate of 450,000 barrels of oil a day and almost 100,000 b/d of natural gas liquids. In addition the two companies have contracted to deliver over 500m. cubic feet a day of Brent gas.

The final cost of developing Brent is estimated to be £1.8bn. This summer is expected to be the busiest yet for Shell/Esso, with the installation of two further production platforms on Brent, the installation of Brent's manned storage and tanker loading buoy facility, inshore laying of the associated gas line to St. Fergus, Scotland, the start of construction on the St. Fergus and Peterhead gas liquid plants, the installation of a new gas production platform in the Indefatigable field, and further drilling operations.

The result of the work programme this season and next summer should be a Shell/Esso output in the early 1980s of over 800,000 barrels a day of oil and natural gas liquids—the equivalent of 47 per cent. of Britain's average oil consumption in 1975.

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IMF gold auction

of the lowest acceptable bid and to charge that price to all those who make a bid above that level. Under the bid-price system the bidder simply pays the price he has bid provided it is above the minimum level set by the Fund.

As expected, the minimum bid is to be for 2,000 ounces, but this may latter be revised. There is also to be a refundable deposit which would be set at $50,000 for the minimum bid.

Apart from the sale of 25m. ounces, a further 25m. ounces is also to be restored to IMF member-countries according to their quotas and Dr. Witteveen said this would take place in annual instalments with the first one starting about six months after the first auction.

Members with balance of payments problems will be able to postpone their participation until after the Fund's amended articles are approved at which time they will be able to purchase gold with their own currencies.

About 60 developing countries are expected to be eligible for assistance and the Fund released a preliminary list of them to-day.

Weather

U.K. TO-DAY

DRY with sunny intervals but possibility of a little rain in western areas later.

London, S. England, E. Anglia, E. Midlands
Dry with sunny intervals. Wind light. Max. 21C (70F).

West Midlands, Channel Is., S.W. England, S. Wales
Scattered showers at first but mostly dry and sunny later. Max. 21C (70F).

N. Wales, N.W. and C. Northern England, Lakes, Isle of Man, S.W. Scotland, N. Ireland, N.E. England
Dry with sunny intervals. Wind easterly, light. Cool on East coast. Max. 17C (36F).

Borders, Edinburgh, Dundee and Aberdeen
Cloudy but dry with sunny intervals. Wind southerly. Max. 14C (57F).

Highlands, N. Scotland, Orkney, Shetland
Dry with sunny intervals. Wind southerly light. Max. 13C (55F).

Outlook: Mostly dry with sunny spells and coastal fog.

Lighting-up: London 21.02, Manchester 21.19, Glasgow 21.36, Belfast 21.38.

BUSINESS CENTRES

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Alexandria	C	32	90	Luxembrg.	S	24	75
Amstrdm.	S	23	73	Madrid	S	22	72
Athens	F	23	73	Manchstr.	F	17	63
Barcelona	S	18	64	Melbourne	R	13	55
Beirut	F	22	72	Milan	S	26	79
Belfast	S	15	59	Montreal	C	8	46
Belgrade	S	24	75	Moscow	S	11	52
Berlin	S	21	70	Munich	S	21	70
B'mghm.	R	14	57	Newcastle	C	9	48
Bristol	C	17	63	New York	S	20	68
Brussels	S	23	73	Oslo	S	13	55
Budapest	S	23	73	Paris	S	26	79
B. Aires	S	21	70	Prague	S	20	68
Cardiff	F	18	64	Reykjavik	Sn	-1	30
Cologne	S	20	68	Rio de J'o	S	27	81
Copnhagn.	C	9	48	Rome	S	24	75
Dublin	C	12	54	Singapore	R	25	77
Edinburgh	S	9	48	Stockholm	F	12	54
Frankfurt	S	24	75	Sydney	F	19	66
Geneva	S	22	72	Tehran	C	23	73
Glasgow	S	13	55	Tel Aviv	F	23	73
Helsinki	F	15	59	Tokyo	C	20	68
H. Kong	S	25	77	Toronto	C	8	46
Jo'burg	C	20	68	Vienna	S	23	73
Lisbon	F	17	63	Warsaw	S	15	59
London	S	22	72	Zurich	S	21	70

HOLIDAY RESORTS

Algiers	S	21	70	Jersey	S	21	70
Biarritz	S	23	73	Majorca	S	22	72
Blackpool	C	15	59	Malaga	C	17	63
Bordeaux	S	24	75	Malta	F	19	66
Casablanca	C	16	61	Nairobi	S	25	77
Cape Tn.	S	21	70	Naples	F	20	68
Corfu	C	22	72	Nice	S	24	75
Faro	R	14	57	Nicosia	F	23	73
Florence	F	25	77	Oporto	C	18	64
Gibraltar	R	16	61	Rhodes	C	25	77
Guernsey	S	17	63	Tangier	C	16	61
Innsbruck	S	24	75	Tenerife	C	18	64
Inverness	S	11	52	Tunis	C	18	64
I. of Man	S	13	55	Valencia	S	19	66
Istanbul	S	25	77	Venice	S	24	75

S—Sunny. F—Fair. C—Cloudy. R—Rain. Sn—Snow.

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